

## **INDEPENDENT AUDITORS' REPORT**

**To**  
**The Members of JINDAL UNITED STEEL LIMITED**

### **Report on the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **JINDAL UNITED STEEL LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 2022, 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, 2022 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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, 2022.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;



(h) The managerial remuneration for the year ended 31st March, 2022 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.

(i) As per the management representation we report,

- (i) no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
- (ii) no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
- (iii) Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contain any material misstatement.

(j) No dividend has been paid by the company

**For N.C. Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 003273N



**G. K. Aggarwal**

Partner

M. No. 086622

Date: 29<sup>th</sup> April, 2022

Place: New Delhi

UDIN: 22086622AIGENU4775



**ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT**

(Annexure referred to in our report of even date to the members of **JINDAL UNITED STEEL LIMITED** on the accounts for the year ended March 31, 2022)

1.
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment (PPE) and Intangible assets.
  - b) A major portion of the PPE has been physically verified by the Management in accordance with a phased programmed of verification once in four years adopted by the company. In our opinion, the frequency of the 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 Company does not have any immovable property wherein reporting requirement with respect to title deed of immovable properties is applicable.
  - d) The Company has not revalued its PPE and Intangible assets during the year. Hence, the reporting requirement of para 3(i)(d) of the order is not applicable to the Company.
  - e) As explained to us and as per the information and explanations furnished to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988. Hence, Para 3(i)(e) of the order is not applicable to the company.
2.
  - (a) As explained to us, the management during the year has physically verified inventories. In our opinion, the coverage and procedure of verification is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
  - (b) No working capital limit has been sanctioned and availed by the Company. Hence, the reporting requirement of para 3(ii)(b) of the order is not applicable to the Company.
3. In our opinion and According to the information and the explanations given to us, the company during the year has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the provisions of Para 3(iii)(a-f) of the order are not applicable to the company.
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 or amount which are deemed to be deposits, 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 books of account and records maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013 in respect of the company's products and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of records with a view to determine whether they are accurate or complete.
7. (a) Undisputed statutory dues including Goods and Service Tax, provident fund, employee' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material statutory dues referred in aforesaid clause 7(a) which have not been deposited with the appropriate authorities on account of any dispute.
8. In our opinion and as per the information and explanations furnished to us, there are no unrecorded transactions or transactions disclosed as income in the tax assessments under the Income Tax Act. Hence, the para 3(viii) of the order is not applicable to the Company.
9. (a) 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 loan or other borrowing and payment of interest to any lender. Hence, the para 3(ix) of the order is not applicable to the Company.
- (b) In our opinion, and as per the information and explanation furnished to us, the Company is not willful defaulter by any bank or other financial institution or any other lender.
- (c) In our opinion and as per the information and explanation furnished to us, the term loan availed were utilized for the purpose for which the loan were taken.
- (d) On the basis of books and records examined by us, the company has not raised any short term fund. Hence, Para 3(ix)(d) of the order not applicable to company.
- (e) On the basis of books and records examined by us, the Company has not taken any funds from from any entity or person to meet the obligation of its subsidiary.
- (f) On the basis of books and records examined by us and as explained to us, the Company has not raised loan during the year on the pledge of securities held in its subsidiary.
10. (a) The Company has not raised any money by way of initial public offer or further public offer or debt instruments. Hence, the para 3(x) of the order is not applicable to the Company.



(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of shares, through preferential issue during the year, in compliance of Section 42 and 62 of the companies Act, 2013 and the amount raised have been used for the purposes for which it has been raised.

11. (a) 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 by the Company or on the Company has been noticed or reported by the Company.

(b) As informed to us and as per the information and explanation furnished to us, there was no report in prescribed form ADT-4 under sub-section 12 of section 143 of the Companies Act, 2013 required to be filed. Hence, the reporting para 3(xi)(b) of the order is not applicable to the Company.

(c) No whistle blower complaints were received by the Company. Hence, the reporting para 3(xi) of the order is not applicable to the Company.

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 accounting standards.

14. According to the information and explanations given to us. In our opinion and as per the information and explanation furnished to us, the Company has an internal audit system commensurate with the size and nature of its business. The report of the internal auditor furnished for the period as submitted to us, was considered in framing the opinion.

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. (a) 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 Act, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.

(b) In our opinion and as explained to us by the management, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of registration from Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion and as per the information and explanation furnished to us, the Company is not a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank Of India. Hence, the reporting para 3(xvi)(c) and (d) of the order is not applicable to the Company.





17. The Company has not incurred cash loss during the year and in the immediately preceding previous year.
18. There was no resignation of the statutory auditor during the year. Hence, the reporting para 3(xviii) of the order is not applicable to the Company.
19. In our opinion and based on the books and relevant documents and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plan no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- 20 The Company is not required to incur any amount under Corporatize Social Responsibility (CSR). Hence, the reporting clause 3(xx) of the order is not applicable to the Company.
21. There are no qualifications or adverse remark by the respective Auditor in the separate Companies (Auditor's Report) Order (CARO) of the companies included in the consolidated financial statements. Hence, the reporting para 3(xxi) of the order is not applicable to the Company.

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



**G. K. Aggarwal**  
Partner

M. No. 086622

Date: 29<sup>th</sup> April, 2022

Place: New Delhi

UDIN: 22086622AIGENU4775



## **ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT**

Annexure referred to in our report of even date to the members of **JINDAL UNITED STEEL LIMITED** on the accounts for the year ended 31<sup>st</sup> March, 2022

### **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 UNITED STEEL LIMITED** ("the Company") as of 31<sup>st</sup> March, 2022 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 31<sup>st</sup> March, 2022, 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: 29<sup>th</sup> April, 2022

Place: New Delhi

UDIN: 22086622AIGENU4775



**JINDAL UNITED STEEL LIMITED**  
**CIN-U28113HR2014PLC053875**  
**Balance sheet as at March 31, 2022**

(₹ in Lakhs)			
Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	2,61,173.43	2,73,834.43
(b) Capital Work-in-Progress	41	4,853.80	1,061.96
(c) Goodwill	3	242.78	242.78
(d) Other Intangible Assets	4	27.09	20.50
(e) Financial Assets			
(i) Investments	5	14.02	4.67
(ii) Other Financial Assets	6	5.16	2,029.10
(f) Other Non-Current Assets	7	5,041.42	15,728.30
<b>(2) Current assets</b>			
(a) Inventories	8	4,931.28	1,977.88
(b) Financial Assets			
(i) Investments	9	7,563.33	7,525.11
(ii) Trade Receivables	10	4,498.60	1,583.03
(iii) Cash and Cash Equivalents	11	346.74	563.89
(iv) Other Bank Balances	12	879.68	844.45
(v) Other Financial Assets	13	680.43	844.07
(c) Current Tax Assets (Net)	14	3,566.07	1,180.92
(d) Deferred Tax Asset (Net)	14A	-	3,008.28
(e) Other Current Assets	15	710.95	1,087.51
<b>Total Assets</b>		<b>2,94,534.78</b>	<b>3,11,536.88</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	16	46,160.83	42,844.59
(c) Other Equity	16A	15,410.82	(120.60)
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	2,17,943.15	2,56,328.68
(b) Provisions	18	426.34	366.06
(c) Deferred Tax Liabilities (Net)	14A	3,019.73	-
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	1,750.66	745.07
(ii) Trade Payables			
- Due to Micro and small enterprises	20	614.17	324.68
- Due to other than Micro and small enterprises	20	5,984.84	7,544.51
(iii) Other Financial Liabilities	21	2,684.10	2,816.28
(b) Other Current Liabilities	22	520.94	676.48
(c) Provisions	23	19.20	11.13
<b>Total Equity and Liabilities</b>		<b>2,94,534.78</b>	<b>3,11,536.88</b>

**Significant Accounting Policies and Notes to Financial Statements**

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As per our report of even date attached

For and on behalf of the Board of Directors of  
**Jindal United Steel Limited**

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

G.K. Aggarwal  
PARTNER  
M.No. 086622

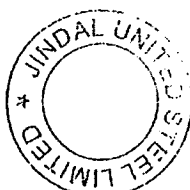
Place : New Delhi  
Dated : 29th April 2022

Om Prakash Verma  
Director  
DIN-07137865

Narinder Dhankar  
Chief Financial Officer

Rahul Himatsingka  
Director  
DIN-03633751

Akhand Kirty  
Company Secretary  
ACS : 53378



**JINDAL UNITED STEEL LIMITED****CIN-U28113HR2014PLC053875****Statement Of Profit And Loss For The Year Ended March 31,2022**

Particulars	Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>I. Revenue from Operations</b>	<b>24</b>	<b>1,48,334.07</b>	<b>90,407.78</b>
<b>II. Other Income</b>	<b>25</b>	<b>1,487.96</b>	<b>723.33</b>
<b>Total Income (I + II)</b>		<b>1,49,822.03</b>	<b>91,131.11</b>
<b>III. Expenses:</b>			
Raw Material Consumed	26	26,213.89	7,929.32
Changes in inventories of finished goods, work in progress and Trading goods	27	(2,344.49)	1,206.14
Employee Benefit Expenses	28	2,999.18	2,546.41
Finance Costs	29	23,649.37	30,472.72
Depreciation and Amortisation	30	15,927.99	15,267.32
Other Expenses	31	62,483.82	40,111.02
<b>Total Expenses</b>		<b>1,28,929.76</b>	<b>97,532.94</b>
<b>IV. Profit/(Loss) before exceptional and extraordinary items and tax (I+II-III)</b>		<b>20,892.27</b>	<b>(6,401.83)</b>
<b>V. Exceptional Items (Gain)/Loss</b>	<b>32</b>	<b>15.05</b>	<b>0.36</b>
<b>VI. Profit/(Loss) before Tax (IV - V)</b>		<b>20,877.22</b>	<b>(6,402.19)</b>
<b>VII. Tax expense:</b>			
(1) Deferred Tax	44	6,028.39	(2,266.87)
		<b>6,028.39</b>	<b>(2,266.87)</b>
<b>VIII. Profit/(Loss) for the year after taxation (VI-VII)</b>		<b>14,848.83</b>	<b>(4,135.32)</b>
<b>IX. Other comprehensive income:</b>			
Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		(10.92)	20.44
Income tax effect		2.75	(7.14)
Gain / (Loss) on Fair valuation of Long Term Investment		9.35	3.01
Income tax effect on above		(2.35)	(1.05)
<b>Total Other comprehensive Income (IX)</b>		<b>(1.17)</b>	<b>15.26</b>
<b>X. Total Comprehensive Income for the year (VIII+IX)</b>		<b>14,847.66</b>	<b>(4,120.06)</b>
<b>XI. Earning per equity share of face value of ₹ 10/- each.</b>			
(1) Basic	40	2.98	(0.87)
(2) Diluted		2.98	(0.87)
<b>Significant Accounting Policies and Notes to Financial Statements</b>	<b>1-51</b>		

As per our report of even date attached

For and on behalf of the Board of Directors of  
Jindal United Steel Limited

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

Om Praksh Verma  
Director  
DIN-07137865

Rahul Himatsingka  
Whole Time Director  
DIN-03633751

G.K. Aggarwal  
PARTNER  
M.No. 086622  
Place : New Delhi  
Dated : 29th April 2022

Narinder Dhankar  
Chief Financial Officer

Akhend Kirty  
Company Secretary  
ACS : 53378



**JINDAL UNITED STEEL LIMITED**
**CIN-U28113HR2014PLC053875**
**Statement of Changes in Equity for the year ended March 31,2022**
**A. Equity Share Capital**

(₹ in Lakhs)				
Balance as at March 31,2020	Changes in equity share capital during 2020-21	Balance as at March 31,2021	Changes in equity share capital during 2021-22	Balance as at March 31,2022
38,114.86	4,729.73	42,844.59	3,316.24	46,160.83

**B. Other Equity**

Particulars	0.01% Non Cumulative Compulsorily Convertible Preference Shares (NCCPS)	Reserves and Surplus		Items of Other Comprehensive Income		Total
		Retained Earnings	Share premium	Re-measurement of the net defined benefit plans	Gain / (Loss) on Fair valuation of Investment	
Balance as at March 31, 2020	7,595.14	(2,346.60)	-	(18.59)	(0.76)	5,229.20
Profit/(Loss) for the year		(4,135.32)				(4,135.32)
Re-measurement of the net defined benefit plans (net of taxes)				13.30		13.30
Gain / (Loss) on Fair valuation of Investment (net of taxes)					1.96	1.96
Shares Converted during the year 16 (e) (i)	(1,229.74)					(1,229.74)
Balance as at March 31, 2021	6,365.40	(6,481.92)	-	(5.29)	1.20	(120.60)
Profit/(Loss) for the year		14,848.83				14,848.83
Premium on share allotment			1,546.01			1,546.01
Re-measurement of the net defined benefit plans (net of taxes)				(8.17)		(8.17)
Gain / (Loss) on Fair valuation of Investment (net of taxes)					7.00	7.00
Shares Converted during the year 16 (e) (i)	(862.25)					(862.25)
Balance as at March 31, 2022	5,503.15	8,366.91	1,546.01	(13.46)	8.20	15,410.82

As per our report of even date attached

 For and on behalf of the Board of Directors of  
Jindal United Steel Limited

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

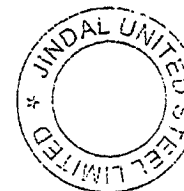
 G.K. Aggarwal  
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M.No. 086622

 Place : New Delhi  
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Chief Financial Officer

 Rahul Himatsingka  
Whole Time Director  
DIN-03633751

 Akhand Kirya  
Company Secretary  
ACS : 53378




**JINDAL UNITED STEEL LIMITED**  
**CIN-U28113HR2014PLC053875**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED March 31, 2022**

PARTICULARS	For the year Ended March 31, 2022		For the year Ended March 31, 2021	
<b>A. CASH INFLOW (OUTFLOW) FROM THE OPERATING ACTIVITIES</b>				
<b>NET PROFIT BEFORE TAX</b>	<b>20,892.27</b>	<b>20,892.27</b>	<b>(6,401.83)</b>	<b>(6,401.83)</b>
Adjustments for:				
Add/(Less)				
Depreciation	15,927.99		15,267.32	
Interest Expense	23,166.57		30,176.02	
Profit on sale of fixed assets	(32.89)		(65.66)	
Loss on sale of asset	52.60		-	
Acturall Gain/(Loss)	(10.92)		20.44	
Interest Income	(282.91)	<b>38,820.44</b>	(635.12)	<b>44,763.00</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>				
Adjustments for:-				
Inventories	(2,953.40)		1,587.43	
Trade Receivables	(2,915.57)		(1,281.86)	
Loans and advances and other assets	12,502.76		2,117.39	
Trade and Other Payables	(1,458.48)	<b>5,175.31</b>	683.50	<b>3,106.46</b>
<b>CASH GENERATED FROM OPERATIONS BEFORE EXCEPTIONAL ITEMS</b>		<b>64,888.02</b>		<b>41,467.63</b>
Exceptional Items	(15.05)	<b>(15.05)</b>	(0.36)	<b>(0.36)</b>
Tax Paid		<b>(2,385.15)</b>		<b>1,767.50</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>		<b>62,487.82</b>		<b>43,234.77</b>
<b>B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES</b>				
(Increase)/Decrease in Current Investment	(38.22)		(7,525.11)	
Interest Income	995.94		456.26	
Sale of fixed assets	42.59		106.06	
Capital expenditure	(7,127.72)		(5,739.59)	
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>		<b>(6,127.40)</b>		<b>(12,702.38)</b>
<b>C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>				
Increase/(Decrease) in Non-Current Borrowings	(41,327.63)		(2,692.86)	
Interest paid	(20,255.54)		(31,165.99)	
Increase/(Decrease) in Current Borrowings	1,005.59		(392.54)	
Issue of Equity Share Capital	4,000.00		3,499.99	
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>		<b>(56,577.58)</b>		<b>(30,751.40)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>		<b>(217.16)</b>		<b>(219.01)</b>
Cash and cash equivalents at beginning of the year		<b>563.89</b>		<b>782.90</b>
Cash and cash equivalents at end of the year		<b>346.73</b>		<b>563.89</b>

**NOTE:**

1. Increase/(decrease) in Non-current and current borrowings are shown net of repayments.
  2. Figures in bracket indicates cash outflow.
  3. The above cash flow statement has been prepared under the Indirect method setout in IND AS-7 'Statement of Cash Flows'.
- As per our report of even date attached

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

**G.K. Aggarwal**  
PARTNER  
M.No. 086622  
Place : New Delhi  
Dated : 29th April 2022

**Om Praksh Verma**  
Director  
DIN-07137865

**Narinder Dhankar**  
Chief Financial Officer

**Rahul Himatsingka**  
Director  
DIN-03633751

**Akhind Kirty**  
Company Secretary  
ACS : 53378



# JINDAL UNITED STEEL LIMITED

## Notes to Financial Statements

### 1. Significant accounting policies

#### A. Corporate and General Information

Jindal United Steel Limited ("JUSL" or ("the Company")) is domiciled and incorporated in India. The Company is a leading manufacturer of hot rolled products of stainless steel and carbon steel. The Registered Office of the Company is located at O.P. Jindal Marg, Hisar. The Company has acquired the HSM Plant from Jindal Stainless Limited pursuant to the Composite Scheme of Arrangement between the Company and Jindal Stainless Limited as a part of integrated steel plant to be set up at Jajpur, Orissa.

#### B. Basis of preparation

The financial statements have been prepared complying in all material respects with the Indian Accounting Standards (IndAS) 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 significant accounting policies used in preparing the financial statements are set out in Note no.1C of the Notes to Financial Statements.

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. The amendment encompasses significant additional disclosure requirements and includes certain changes to the existing disclosures. The Company has applied and incorporated the requirements of amended Division II of Schedule III of the Companies Act, 2013 while preparing these standalone financial statements based on available information including exposure draft of revised guidance note on Division II- Ind AS schedule III to the Companies Act, 2013 issued by the corporate laws & corporate governance committee of the Institute of Chartered Accountants India (ICAI).

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 1C(xviii) on Significant accounting estimates, assumptions and judgements).

#### C. Significant Accounting Policies

##### i) Basis of Measurement

The financial statements have been prepared on the accrual basis of accounting and under the historical cost convention except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

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## JINDAL UNITED STEEL LIMITED

### ii) Property, Plant and Equipment

a) For transition to IND AS, the Company has elected to continue with the carrying value of previous GAAP for all its tangible assets as of 1<sup>st</sup> April, 2015 (transition date) and use that carrying value as its deemed cost on transition date.

However, under the previous GAAP, the Company has fair valued all its Property, Plant and Equipment on transfer of business to the Company under Composite Scheme of Arrangement (Refer Note No 36).

b) 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.

c) Depreciation on fixed assets has been provided as per guidance set out in Schedule II of the Act on straight line method, on remaining Useful life on transfer of Property, Plant and Equipment under Composite Scheme of Arrangement. However, in respect of certain Plant and Machinery, electrical installation and Factory Building, depreciation is provided as per their useful lives assessed on the basis of technical evaluation by the external valuer, as stated below:

Category of Assets	Years
-Building	25-45
-Plant and Machinery	Up to 35 Years

### iii). Intangible Assets

The Identifiable intangible assets are recognised:

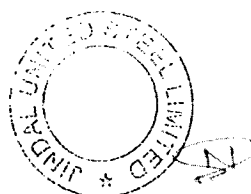
- i) When the Company controls the asset,
- ii) It is probable that future economic benefits attributed to the asset will flow to the Company and
- iii) The cost of the asset can be reliably measured.

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

Goodwill is initially recognised at cost and is tested for impairment at the end of each Financial Year.

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## JINDAL UNITED STEEL LIMITED

### iv). 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.

### v). Cash and cash equivalents

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

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

### vi). 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.

### vii). Employee benefits

i) 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.

ii) 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.

iii) 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.

iv) 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.



## JINDAL UNITED STEEL LIMITED

v) The Company's liability towards employee benefits such as gratuity, leave encashment, and other terminal benefits are provided for on the basis of actuarial valuation. Company does not operate any Defined plan for Gratuity; hence, the liability is recognised in the books. The liability towards terminal benefit is un-funded.

### viii). Foreign currency reinstatement and translation

#### (i) Functional and presentation currency

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

#### (ii) 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.

### ix). Financial instruments – initial recognition, subsequent measurement and impairment

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

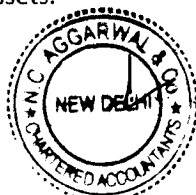
Financial Assets and liabilities are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and liabilities and the assets and liabilities contractual cash flow characteristics.

#### Financial Assets at amortised cost

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

#### Financial Assets at fair value through other comprehensive income

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



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# JINDAL UNITED STEEL LIMITED

## Financial assets at fair value through profit or loss

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

## Financial Liabilities

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

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

## x). Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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.

## xi). Taxation

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

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





## JINDAL UNITED STEEL LIMITED

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.

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

### xii). Revenue recognition and Other income

#### Sale of Goods

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

#### Sale of Services-Job work

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

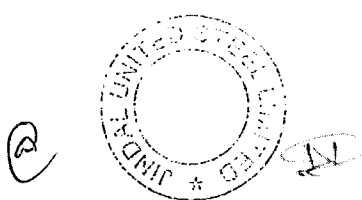
#### Other Operating Income

Incentives on export as per the policy of government are recognized in books after due consideration of certainty of utilization.

#### Other Income

##### Interest

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



# JINDAL UNITED STEEL LIMITED

## xiii). Earnings per share

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

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

## xiv). Provisions and contingencies

### Provisions

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

### Contingencies

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

## xv). Current /non-current classification

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

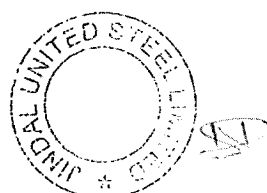
The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

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



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## JINDAL UNITED STEEL LIMITED

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.

### xvi). Lease

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.

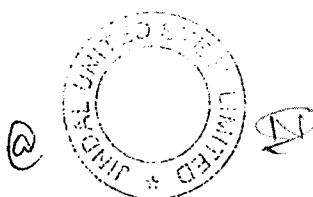
At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short 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



## JINDAL UNITED STEEL LIMITED

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

### xvii). Recent accounting pronouncements

New and amended standards applied

The group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Ministry of Corporate Affairs ("MCA") has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

Ministry of Corporate Affairs ("MCA") amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the group has changed the classification/presentation of

- (i) current maturities of long-term borrowings
- (ii) security deposits, in the current year

The current maturities of long-term borrowings (including interest accrued) has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings and interest accrued were included in 'other financial liabilities' line item.

Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.

### xviii). Significant 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:

#### (i) Property, plant and equipment

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



## JINDAL UNITED STEEL LIMITED

### (ii) 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.

### (iii) 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.

### (iv) Fair value of financial assets and liabilities

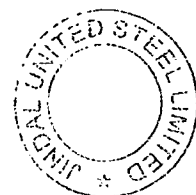
When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include consideration of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### (v) Defined benefit plan

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



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## JINDAL UNITED STEEL LIMITED

### Notes to Financial Statements

#### 2. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Building	Plant and Machinery	Furniture and Fixtures	Office equipment	Total
<b>Gross Block</b>					
As at March 31,2020	39,286.00	2,45,758.70	114.79	30.25	2,85,189.74
Additions	235.90	6,611.95	14.05		6,861.90
Disposal	-	807.98			807.98
As at March 31,2021	39,521.90	2,51,562.67	128.84	30.25	2,91,243.66
Additions	96.47	3,184.02	11.51	36.13	3,328.13
Disposal	-	266.96			266.96
As at March 31,2022	39,618.37	2,54,479.73	140.35	66.38	2,94,304.83
<b>Accumulated Depreciation</b>					
As at March 31,2020	344.91	2,539.46	26.45	8.69	2,919.51
Charge for the Year	1,391.76	13,847.04	12.96	5.54	15,257.30
Disposal		767.58			767.58
As at March 31,2021	1,736.67	15,618.92	39.41	14.23	17,409.23
Charge for the Year	1,399.71	14,501.58	14.21	11.33	15,926.83
Disposal		204.66			204.66
As at March 31,2022	3,136.38	29,915.84	53.62	25.56	33,131.40
<b>Net Carrying Amount</b>					
As at March 31,2021	37,785.23	2,35,943.75	89.43	16.02	2,73,834.43
As at March 31,2022	36,481.99	2,24,563.89	86.73	40.82	2,61,173.43

Note: Property, Plant and Equipment has been hypothecated to lenders for Term Borrowings (Refer Note No.17)





## JINDAL UNITED STEEL LIMITED

### Notes to Financial Statements

#### 3. Goodwill

Particulars	Goodwill *	Total
<b>Gross Block</b>		
<b>As at March 31,2020</b>	<b>242.78</b>	<b>242.78</b>
Additions	-	-
Disposal	-	-
<b>As at March 31,2021</b>	<b>242.78</b>	<b>242.78</b>
Additions	-	-
Disposal	-	-
<b>As at March 31,2022</b>	<b>242.78</b>	<b>242.78</b>
<b>Accumulated Depreciation</b>		
<b>As at March 31,2020</b>	-	-
Charge for the year	-	-
Disposal	-	-
<b>As at March 31,2021</b>	-	-
Charge for the year	-	-
Disposal	-	-
<b>As at March 31,2022</b>	-	-
<b>Net carrying amount</b>		
<b>As at March 31,2021</b>	<b>242.78</b>	<b>242.78</b>
<b>As at March 31,2022</b>	<b>242.78</b>	<b>242.78</b>

\* Refer Note No 33 (2) (C)



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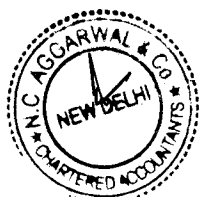


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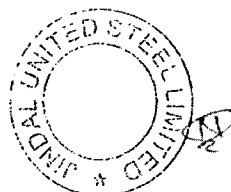
**JINDAL UNITED STEEL LIMITED**  
**Notes to Financial Statements**

**4. Other Intangible Assets**

Particulars	Software	Total
<b>Gross Block</b>		
<b>As at March 31,2020</b>	<b>94.93</b>	<b>94.93</b>
Additions	2.49	2.49
Disposal	-	-
<b>As at March 31,2021</b>	<b>97.42</b>	<b>97.42</b>
Additions	7.75	7.75
Disposal	-	-
<b>As at March 31,2022</b>	<b>105.17</b>	<b>105.17</b>
<b>Accumulated Depreciation</b>		
<b>As at March 31,2020</b>	<b>66.90</b>	<b>66.90</b>
Charge for the year	10.02	10.02
Disposal	-	-
<b>As at March 31,2021</b>	<b>76.92</b>	<b>76.92</b>
Charge for the year	1.16	1.16
Disposal	-	-
<b>As at March 31,2022</b>	<b>78.08</b>	<b>78.08</b>
<b>Net carrying amount</b>		
<b>As at March 31,2021</b>	<b>20.50</b>	<b>20.50</b>
<b>As at March 31,2022</b>	<b>27.09</b>	<b>27.09</b>



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**JINDAL UNITED STEEL LIMITED**  
Notes to Financial Statements

Particulars	As at March 31, 2022	As at March 31, 2021
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**5. Non - Current Investments**

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	Face Value (₹)	Amount	No. of Shares	Face Value (₹)	Amount
<b>LONG TERM - NON TRADE</b>						
<b>QUOTED</b>						
Designated at Fair Value through other Comprehensive Income						
Jindal Stainless Limited	6,920	2.00	14.02	6,920	2.00	4.67
<b>Total</b>	<b>6,920</b>		<b>14.02</b>	<b>6,920</b>		<b>4.67</b>
Aggregate amount of quoted investments (At market Value)			<b>14.02</b>			<b>4.67</b>

**6. OTHER FINANCIAL ASSETS - NON CURRENT**

Security Deposit	0.75	1,313.07
Interest Accrued	-	711.62
Bank Deposits (with remaining maturity of more than 12 months)*	4.41	4.41
<b>Total Other Financial Assets - Non Current</b>	<b>5.16</b>	<b>2,029.10</b>

**7. OTHER NON-CURRENT ASSETS**

Capital Advances	5,041.42	365.13
Prepaid Expenses - Non Current*	-	15363.17
<b>Total Other Non-Current Assets</b>	<b>5,041.42</b>	<b>15,728.30</b>

\* Towards Security deposit paid to JSI, for Utilities as per Scheme (Refer note no 33)

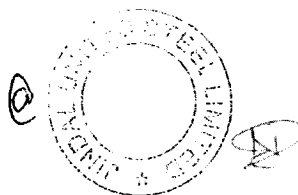
**8. INVENTORIES**

**Inventories - Stores and Spares**

Finished Good	2,583.33	238.84
Stores and Spares	2,347.95	1739.04
<b>Total Inventories</b>	<b>4,931.28</b>	<b>1,977.88</b>

**9. Current Investments**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Units	Amount	No. of Units	Amount
<b>INVESTMENTS IN MUTUAL FUNDS</b>				
<b>FULLY PAID-UP (UNQUOTED)</b>				
Designated at Fair Value through Profit and Loss				
SBI Saving Fund-Direct plan-Growth	-	-	44,44,651	1,519.88
SBI Saving Fund-Regular-Growth	2,24,47,977	7,563.33	1,84,37,307	6,005.23
	<b>2,24,47,977</b>	<b>7,563.33</b>	<b>2,28,81,958.27</b>	<b>7,525.11</b>
Aggregate amount of unquoted investments (At market Value)		<b>7,563.33</b>		<b>7,525.11</b>



# JINDAL UNITED STEEL LIMITED

## NOTES TO FINANCIAL STATEMENTS

Particulars As at March 31, 2022 As at March 31, 2021

### 10. TRADE RECEIVABLES

Unsecured		
Considered good	4,498.60	1,583.03
Total Trade Receivables	4,498.60	1,583.03

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,518.48	2,954.32	12.38	1.86	0.03	11.53	4,498.60
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
	1,518.48	2,954.32	12.38	1.86	0.03	11.53	4,498.60

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,093.04	20.09	458.34	0.03	11.53	-	1,583.03
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
	1,093.04	20.09	458.34	0.03	11.53	-	1,583.03

### 11. CASH AND CASH EQUIVALENTS

Balances with Banks	346.69	15.31
On current accounts	-	548.52
Bank Deposits with original maturity of less than three months	0.05	0.06
Cash on hand	346.74	563.89
Total Cash and Cash equivalents	346.74	563.89

### 12. OTHER BANK BALANCES

Bank deposits with original maturity of more than three month but residual maturity of less than 12 months	879.68	844.45
	879.68	844.45

### 13. OTHER FINANCIAL ASSETS

Other Receivables (Unbilled revenue from services)	678.61	840.84
Interest Accrued but not due on Bank deposit	1.82	3.23
Total Other Financial Assets	680.43	844.07

### 14. CURRENT TAX ASSETS (NET)

TDS Recoverable	3,566.07	1,180.92
Total Current Tax Assets (Net)	3,566.07	1,180.92

### 14 A. DEFERRED TAX ASSETS/(LIABILITIES) (NET)

<b>A. ASSETS</b>		
(i) Amount allowable in Income tax on payment basis	2,628.02	533.10
(ii) Financial asset & financial liabilities measured at amortized cost	-	343.59
(iii) Carried Forward losses	10,450.85	34,947.79
Total Deferred Tax Assets	13,078.87	35,824.48

### B. LIABILITY

(i) Difference between WDV as per books and Income Tax	16,069.88	32,723.17
(ii) Financial asset & financial liabilities measured at amortized cost	28.72	93.03
Total Deferred Tax Liabilities	16,098.60	32,816.20

### C. Net Assets of Temporary Difference (A-B)

	(3,019.73)	3,008.28
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### D. MAT Credit Entitlement

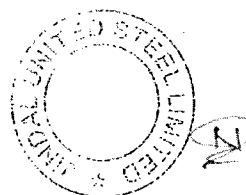
Net Deferred Tax Assets/(Liability) (C+D)	(3,019.73)	3,008.28
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Deferred tax asset/(Liability) accounted for in Statement of Profit and Loss account  
Deferred tax asset/(Liability) accounted for through OCI

(6,028.39)	2,266.87
0.40	(8.19)
(6,027.99)	2,258.68



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# JINDAL UNITED STEEL LIMITED

## NOTES TO FINANCIAL STATEMENTS

	(₹ in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
15. Other Current Assets		
Prepaid Expenses	121.01	827.64
Advances to vendors	468.08	223.61
Advances recoverable in cash or kind*	121.86	36.26
<b>Total Other Current Assets</b>	<b>710.95</b>	<b>1,087.51</b>

\* Includes GST Receivable.

### 16. SHARE CAPITAL

(a) Authorised		
55,50,00,000 (45,50,00,000) Equity Shares of ₹10/- each	55,500.00	45,500.00
26,50,00,000 (26,50,00,000) Preference Shares of ₹10/- each	26,500.00	26,500.00
	<b>82,000.00</b>	<b>72,000.00</b>

(b) Issued		
461,608,315 (42,84,45,937) Equity Shares of ₹10/- each	46,160.83	42,844.59
	<b>46,160.83</b>	<b>42,844.59</b>

(c) Subscribed and Fully Paid-Up		
461,608,315 (42,84,45,937) Equity Shares of ₹10/- each	46,160.83	42,844.59
	<b>46,160.83</b>	<b>42,844.59</b>

#### (d) Reconciliation of the number of equity shares:

Shares outstanding as at the beginning of the year	42,84,45,937	38,11,48,637
Add: Conversion of 0.01% Non-Cumulative Compulsorily Convertible Preference Shares	86,22,500	1,22,97,300
Add: Allotted Equity Shares during the year	2,45,39,878	3,50,00,000
<b>Equity Shares outstanding as at the end of the year</b>	<b>46,16,08,315</b>	<b>42,84,45,937</b>

#### (e) Reconciliation of the number of NCCCPs:

(i) 0.01% Non Cumulative Compulsorily Convertible Preference Shares (NCCCPs)		
Shares outstanding as at the beginning of the year	6,36,54,063	7,59,51,363
Add: Shares allotted during the year	86,22,500	1,22,97,300
Less: Shares converted in to equal number of equity shares during the year		
<b>NCCCPs outstanding as at the end of the year</b>	<b>5,50,31,563</b>	<b>6,36,54,063</b>

#### (f) (i) Details of equity shareholders holding more than 5% shares in the company:

	As at March 31, 2022		As at March 31, 2021	
Name of Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding
OPJ Steel Trading Private Limited	34,15,89,879	74.00	31,70,50,001	74.00
Jindal Stainless Limited	12,00,18,377	26.00	11,13,95,877	26.00
<b>Total</b>	<b>46,16,08,256</b>		<b>42,84,45,878</b>	

#### (f) (ii) Details of 0.01% Non Cumulative Compulsorily Convertible Preference Shareholders holding more than 5% shares in the company:

	As at March 31, 2022		As at March 31, 2021	
Name of Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jindal Stainless Limited	5,50,31,563	100	6,36,54,063	100
<b>Total</b>	<b>5,50,31,563</b>		<b>6,36,54,063</b>	

#### (f) (iii) Promoters holdings

Shares held by promoters at the end of the year				% of change during the year	As At March 31, 2021
Sl No	Promoters Name	No of shares	% of Total Shares	Total	No of shares
1	OPJ Steel Trading Private Limited	34,15,89,879	74.00%	0.00%	31,70,50,001
2	Jindal Stainless Limited	12,00,18,377	26.00%	0.00%	11,13,95,877
3	Pradeep Tahviani	19	0.00%	0.00%	19
4	Navneet Raghuvanshi	10	0.00%	0.00%	-
5	Sanjay Gupta	-	0.00%	0.00%	10
6	Rajeev Garg	10	0.00%	0.00%	10
7	Mahabir Prasad Gupta	10	0.00%	0.00%	10
8	Mahabir Prasad Swami	10	0.00%	0.00%	10
		<b>46,16,08,315</b>			<b>42,84,45,937</b>

#### (g) Details of Share held by holding company

Name of Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding
OPJ Steel Trading Private Limited	34,15,89,879	74.00	31,70,50,001	74.00

#### (h) Terms/Rights attached to Equity Shares

The Company has one class of equity shares having a face value of ₹10/- per equity share. Each equity shareholder is entitled to one vote per share. Further the equity shares issued during the F.Y. 2018-19 will rank pari-passu with the existing equity shares.

#### (i) Terms/Rights attached to 0.01% Non Cumulative Compulsorily Convertible Preference Shares.

5,50,31,563, 0.01% NCCCPs shall be compulsorily convertible into one equity share of ₹ 10/- each on or before 10 years from the date of allotment, i.e., 25.10.2018 at the option of the Company. These NCCCPs carry a preferential right over equity shares of the Company with respect to payment of dividend and shall have voting rights in respect of certain matters as per the provisions of section 47(2) of the Companies Act, 2013.



# JINDAL UNITED STEEL LIMITED

## Notes to Financial Statements

### 16A. Other equity

Particulars	₹ in Lakhs	
	Year ended 31 March 2022	Year ended 31 March 2021

#### A. 0.01% Non Cumulative Compulsorily Convertible Preference Shares (NCCCPs)

Balance at the beginning of the year	6,365.40	7,595.14
Add: allotted during the year	-	-
Less-Converted Into equity shares during the year	(862.25)	(1,229.74)
Balance at the end of the year	<u>5,503.15</u>	<u>6,365.40</u>

#### B. Retained earnings

Represents the undistributed surplus of the Company.

Balance at the beginning of the year	(6,481.92)	(2,346.60)
Add : Profit for the year	14,848.83	(4,135.32)
Balance at the end of the year	<u>8,366.91</u>	<u>(6,481.92)</u>

#### C. Re-measurement of the net defined benefit plans

Represents amounts towards remeasurement of defined benefit plan

Balance at the beginning of the year	(5.29)	(18.59)
Re-measurement of the net defined benefit plans (net of taxes)	(8.17)	13.30
Balance at the end of the year	<u>(13.46)</u>	<u>(5.29)</u>

#### D. Gain / (Loss) on Fair valuation of Investment (net of taxes)

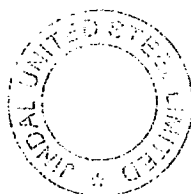
Balance at the beginning of the year	1.20	(0.76)
Gain / (Loss) on Fair valuation of Investment (net of taxes)	7.00	1.96
Balance at the end of the year	<u>8.20</u>	<u>1.20</u>

#### E. Share premium

Balance at the beginning of the year	-	-
Premium on share allotment	1,546.01	-
	<u>1,546.01</u>	<u>-</u>



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# JINDAL UNITED STEEL LIMITED

## NOTES TO FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>17. BORROWINGS - NON CURRENT</b>		
<b>Secured</b>		
Term Loans		
Term Loans from Banks	2,02,475.82	2,40,861.35
<b>Unsecured</b>		
10% Non-Cumulative Non-Convertible Redeemable Preference Shares *	8,767.33	8,767.33
Inter corporate loan from related party	6,700.00	6,700.00
*(refer note no. 33(2))		
<b>Total Non-Current borrowings</b>	<b>2,17,943.15</b>	<b>2,56,328.68</b>

### Term Loan from Banks

(a) The Term Loan Facility 1 from banks amounting to Rs. 1,86,857.73 Lakhs (Rs. 2,41,437.23 Lakhs) are repayable in structured quarterly installments, with repayment for Rs. 194.66 lakhs during FY 2022-23, Rs. 618.54 Lakhs during FY 2023-24, Rs. 734.00 Lakhs during FY 2024-25, Rs. 1,005.14 Lakhs during FY 2025-26, Rs. 1,494.48 Lakhs during FY 2026-27, Rs. 4,857.59 Lakhs during FY 2027-28, Rs. 19,062.60 Lakhs during FY 2028-29, Rs. 19,079.28 Lakhs during FY 2029-30, Rs. 20,446.53 Lakhs during FY 2030-31, Rs. 15,189.31 Lakhs during FY 2031-32, Rs. 5,098.40 Lakhs during FY 2032-33 & FY 2033-34, Rs. 6,386.23 Lakhs during FY 2034-35, Rs. 7,647.60 Lakhs during FY 2035-36, Rs. 8,935.43 Lakhs during FY 2036-37, Rs. 10,858.53 Lakhs during FY 2037-38, Rs. 11,542.66 Lakhs during FY 2038-39, Rs. 12,190.54 Lakhs during FY 2039-40, Rs. 14,120.93 Lakhs during FY 2040-41 and balance repayable Rs. 22,296.88 Lakhs in FY 2041-42

(b) The Term Loan Facility 2 from banks amounting to Rs. 12,125.00 Lakhs is repayable in structured quarterly installments, with repayment for Rs. 1,500.00 lakhs during FY 2022-23, Rs. 2,000.00 Lakhs during FY 2023-24, Rs. 2,500.00 Lakhs during FY 2024-25 & FY 2025-26, Rs. 2,875.00 Lakhs during FY 2026-27 and balance repayable Rs. 750.00 Lakhs in FY 2027-28.

(c) The Term Loan Facility 3 from banks amounting to Rs. 5,600.00 Lakhs is repayable in structured quarterly installments, with repayment for Rs. 56.00 lakhs during FY 2022-23 & FY 2023-24, Rs. 448.00 Lakhs during FY 2024-25, Rs. 672.00 Lakhs during FY 2025-26, Rs. 840.00 Lakhs during FY 2026-27 & FY 2027-28, Rs. 1,008.00 Lakhs during FY 2028-29 & FY 2029-30 and balance repayable Rs. 672.00 Lakhs in FY 2030-31.

(d) The outstanding long term borrowings include an adjustment of unamortised portion of upfront fees and transaction costs amounting to Rs. 356.25 lakhs

Facility 1 is secured by first part-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second part-passu charge by way of hypothecation and/or pledge of current assets including finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable, etc both present and future.

Facility 1 is also secured by the following additional securities :

- Unconditional and irrevocable personal guarantee of Mr. Ratan Jindal; and
- Part-passu pledge of 100% equity shares, as held by promoter (OPJSTPL) in the Company.

Facility 2 is secured by first part-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second part-passu charge by way of hypothecation and/or pledge of current assets including but not limited to finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable, etc both present and future.

Facility 3 is secured by first part-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second part-passu charge by way of hypothecation and/or pledge of current assets including but not limited to finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable, etc both present and future.

### 10% Non-Cumulative Non-Convertible Redeemable Preference Shares

8,76,73,311, 10% Non - Cumulative Non - Convertible Redeemable Preference Shares ("NCRPS") are redeemable on or before 20 (twenty) years from the date of allotment i.e. 13th October, 2016, at the option of the company.

### 18. PROVISIONS

Provision for Employee benefits	280.94	232.75
Provision for Gratuity	145.40	133.31
Provision for Leave Encashment		
<b>Total Provisions</b>	<b>426.34</b>	<b>366.06</b>

### 19. BORROWINGS - CURRENT

<b>Secured*</b>		
Overdraft from banks	-	169.19
Current maturities of long term borrowings	1,750.66	575.88
<b>Total Borrowings</b>	<b>1,750.66</b>	<b>745.07</b>

\* Overdraft and Working capital facility from bank is secured against lien mark of fixed deposit held by company.

### 20. TRADE PAYABLES

Dues to Micro and Small Enterprises (refer note A below)	614.17	324.68
Due to creditors other than micro and small enterprises	5,984.84	7,544.51
<b>Total Trade Payables</b>	<b>6,599.01</b>	<b>7,869.19</b>

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	590.86	10.23	13.06	0.02	614.17
(ii) Others	5,879.10	38.45	14.03	53.26	5,984.84
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	<b>6,469.96</b>	<b>48.68</b>	<b>27.09</b>	<b>53.28</b>	<b>6,599.01</b>

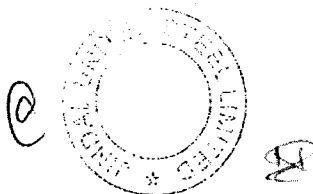
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	302.94	13.23	8.13	0.38	324.68
(ii) Others	7,493.61	9.51	-	41.39	7,544.51
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	<b>7,796.55</b>	<b>22.74</b>	<b>8.13</b>	<b>41.77</b>	<b>7,869.19</b>



**JINDAL UNITED STEEL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
A On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, dues disclosed as per the Micro, Small and Medium Enterprise Development Act, 2006 at the year end are below:		
Particulars	As at March 31, 2022	As at March 31, 2021
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due	612.62	324.41
Interest amount due	1.55	0.27
(ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	1.55	0.27
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
<b>21. OTHER FINANCIAL LIABILITIES</b>		
Interest Accrued	28.27	59.34
Others:		
Capital Creditors	621.69	1,313.97
Other Outstanding Liabilities	2,034.14	1,442.97
<b>Total Other Financial Liabilities</b>	<b>2,684.10</b>	<b>2,816.28</b>
<b>22. OTHER CURRENT LIABILITIES</b>		
Other Payables	520.94	676.48
Statutory Dues		
<b>Total Other Current Liabilities</b>	<b>520.94</b>	<b>676.48</b>
<b>23. PROVISIONS</b>		
Provision for Employee benefits	10.76	5.00
Provision for Gratuity	8.44	6.13
Provision for Leave Encashment		
<b>Total Provisions</b>	<b>19.20</b>	<b>11.13</b>

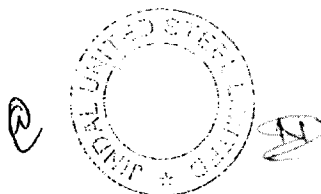
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# JINDAL UNITED STEEL LIMITED

## NOTES TO FINANCIAL STATEMENTS

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>24. Revenue from Operations</b>		
Job Charges received	1,17,440.18	79,313.11
Sale of Product	30,893.89	11,094.67
<b>Total Revenue from Operations</b>	<b>1,48,334.07</b>	<b>90,407.78</b>
<b>25. Other Income</b>		
Profit on Sale of Fixed Assets	32.89	65.66
Interest on Fixed Deposit	44.16	171.86
Liability written Back	0.72	1.15
Profit on sale of Mutual Fund	160.93	15.65
Gain/(Loss) on fair valuation of mutual fund	104.18	9.92
Interest Income on fair valuation of Security deposit	77.82	216.04
Interest on income tax refund	-	231.57
Other Operating Income	164.98	11.48
Other Non-Operating Income	902.28	-
<b>Total Other Income</b>	<b>1,487.96</b>	<b>723.33</b>
<b>26. Raw Material Consumed</b>		
Raw Material Consumed	26,213.89	7,929.32
	<b>26,213.89</b>	<b>7,929.32</b>
<b>27. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS</b>		
<b>OPENING STOCK</b>		
Finished Goods	238.84	1,444.98
<b>TOTAL OPENING STOCK</b>	<b>238.84</b>	<b>1,444.98</b>
<b>CLOSING STOCK</b>		
Finished Goods	2,583.33	238.84
	<b>2,583.33</b>	<b>238.84</b>
<b>TOTAL - CHANGES IN INVENTORIES { (Increase) / Decrease }</b>	<b>(2,344.49)</b>	<b>1,206.14</b>
<b>28. Employee Benefits Expenditure</b>		
Salaries, Wages, Bonus and Other benefits	2,831.85	2,391.23
Contribution to provident and other funds	134.00	122.82
Staff Welfare Expenses	33.33	32.36
<b>Total</b>	<b>2,999.18</b>	<b>2,546.41</b>



# JINDAL UNITED STEEL LIMITED

## NOTES TO FINANCIAL STATEMENTS

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>29. Finance Cost</b>		
Interest Expenses	23,166.57	30,176.02
Other Borrowing Costs	482.80	296.70
<b>Total Finance Costs</b>	<b>23,649.37</b>	<b>30,472.72</b>
<b>30. Depreciation &amp; Amortisation</b>		
Depreciation on Fixed Assets	15,926.83	15,257.30
Amortization of Intangible assets	1.16	10.02
<b>Total Depreciation &amp; Amortisation</b>	<b>15,927.99</b>	<b>15,267.32</b>
<b>31. OTHER EXPENSES</b>		
<b>(a). Manufacturing Expenses</b>		
Consumption of Stores and Spare parts	7,453.89	4,925.23
Power and Fuel	37,015.55	23,532.36
Labour Processing & Transportation Charges	8,202.81	5,398.37
Repairs to buildings	44.30	18.82
Repairs to plant & machinery	689.14	335.67
Job work expenses	226.57	-
Other Manufacturing Expenses	276.46	237.86
	<b>53,908.72</b>	<b>34,448.31</b>
<b>(b). Administrative Expenses</b>		
Insurance	393.63	335.84
Rent	263.06	787.03
Rates and Taxes	42.51	23.82
Legal and Professional	86.19	50.22
Postage, Telegram, Telex and Telephone	16.91	14.86
Printing & Stationary	16.27	19.38
Travelling & Conveyance	1.23	1.56
Director's Meeting Fees	0.53	0.23
Vehicle Upkeep and Maintenance	85.50	78.28
Auditor's Remuneration	5.05	5.05
Miscellaneous Expenses	6,256.64	4,199.54
	<b>7,167.52</b>	<b>5,515.81</b>
<b>(c). Selling Expenses</b>		
Other Selling Expenses	381.78	179.71
Freight Charges	973.20	(32.81)
	<b>1,354.98</b>	<b>146.90</b>
Loss on sale of asset	<b>52.60</b>	-
	<b>52.60</b>	-
<b>Total Other Expenses</b>	<b>62,483.82</b>	<b>40,111.02</b>
<b>32. Exceptional Items</b>		
Exchange Fluctuation	(15.05)	(0.36)
<b>Total Exceptional Items</b>	<b>(15.05)</b>	<b>(0.36)</b>



## JINDAL UNITED STEEL LIMITED

### 33. Composite Scheme of Arrangement

1. Composite Scheme of Arrangement (here in after referred to as 'Scheme') amongst Jindal Stainless Limited Transferor Company / JSL and its three wholly owned subsidiaries namely Jindal Stainless (Hisar) limited (JSHL), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) under the provision of Sec 391-394 read with Sec 100-103 of the Companies Act, 1956 and other relevant provision of Companies Act, 1956 and / or Companies Act, 2013 has been sanctioned by the Hon'ble High Court of Punjab & Haryana, Chandigarh vide its Order dated 21st September 2015, modified by order dated 12th October, 2015.

Section III of the Scheme comprising Transfer of the Business Undertaking 2 (as defined in the Scheme) of the Transferor Company comprising, inter-alia, of the HSM Plant of the Company Located at Odisha and vesting of the same with Jindal United Steel Limited (JUSL) on Going Concern basis by way of Slump Sale w.e.f. appointed date, i.e. close of business hours before midnight of March 31, 2015. Section III of the Scheme has become effective on 24th September 2016 [i.e. on receipt of approvals from the Orissa Industrial Infrastructure Development Corporation (OIIDCO) for the transfer/grant of the right to use in the land on which HSM Plants are located, to JUSL as specified in the Scheme].

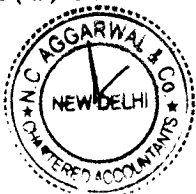
2. Pursuant to the Section III of the Scheme becoming effective:

- a) Business undertaking 2 have been transferred by way of slump sale to and vested in the company with effect from the said appointed date, i.e. close of business hours before midnight of March 31, 2015.
- b) Business undertaking 2 has been transferred at a lump sum consideration of ₹241,267.33 Lakhs; (out of this ₹215,000.00 Lakhs shall payable by the transferee company in cash, out of which ₹208,321.00 Lakhs paid by the company during the Financial Year 2016-17 & ₹ 6,679.00 Lakhs paid by the company during the Financial Year 2017-18) and against the balance amount of ₹26,267.33 Lakhs, the company had to issue & allot to the transferor Company 8,76,73,311 nos. 10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each which has been issued during the year 2016-17 and 17,50,00,000 nos. 0.01% non-cumulative compulsorily convertible preference shares having face value of ₹ 10 each out of which 4,38,68,919 Issued and converted to equal no. of equity share of ₹ 10/- each at par during Financial Year 2016-17 and remaining 13,11,31,081 issued during the financial year 2018-19, out of which 1,42,47,286 converted to equal no. of equity share of ₹ 10/- each at par during financial year 2018-19 and 4,09,32,432 converted to equal no. of equity share of ₹ 10/- each at par during financial year 2019-20 and 1,22,97,300 converted to equal no. of equity share of ₹ 10/- each at par during financial year 2020-21 as specified in the Scheme.
- c) On transfer of Business Undertaking 2, the difference between the fair values of assets and liabilities transferred to and vested in the Company and the lump sum consideration paid/to be paid as stated above, amounting to ₹242.78 Lakhs has been considered to Goodwill.

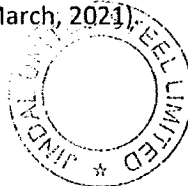
3. In terms of the Scheme as stated above, all the business and activities of Business Undertaking 2 has been carried on by JSL on or after the appointed date in trust in so far as may be necessary until all rights license/permits stands fully developed.

4. IDCO (vide letter dt. No. IDCO:HO:P&A:LA-E:3642(V)/03-16/20731 Dt 24.09.2016) has given permission for sub-lease of 382.02 Acres of land at Duburi, Dist- Jajpur, Odisha by JSL to JUSL. Accordingly JSL has entered into long term Sub-lease of land to JUSL.

34. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 16,837.90Lakhs (₹1,432.01Lakhs as at 31<sup>st</sup> March, 2021)



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## JINDAL UNITED STEEL LIMITED

35. Exceptional item Includes Gain/ (Loss) (net) of (₹ 15.05 Lakhs), (previous year: net loss ₹ 0.36 Lakhs) on translation/settlement of foreign currency monetary items.
36. Based on the intimation received from supplier regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the required disclosure is given below \* :

(₹ in Lakhs)			
Sl.No.	Particulars	As at 31.03.2022	As at 31.03.2021
1	Principal amount due outstanding	612.62	324.41
2	Interest due on (1) above and unpaid	1.55	0.27
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year.	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid	1.55	0.27
7	Amount of further interest remaining due and payable in succeeding year	-	-

\* To the extent information available with the company.

37. In the opinion of board, assets have a realizable value, in the ordinary course of business at least equal to the amount at which they are stated.

### 38. Segment Reporting

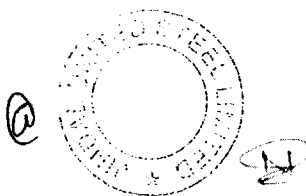
Company has only one eligible business segment i.e. Steel Products.

### 39. 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. Key Management Personnel (KMP):

Sl. No.	Name	Designation
1	Mr. Sanjay Kumar Gupta	CFO (ceased w.e.f 07.10.2020)
2	Mr. Akhand Kirty	Company Secretary
3	Mr. Rahul Himatsingka	Wholetime Director
4	Mr. Narinder Dhankar	CFO (appointed w.e.f 01.11.2020)



# JINDAL UNITED STEEL LIMITED

## B. Related Parties :

Sl. No.	Name of the entity in the Group	Principal place of operation / Country of Incorporation	Principal Activities/Nature of Business	% Shareholding/Voting Power	
				As at March 31,2022	As at March 31,2021
(i)	<b>Holding Company :</b>				
	OPJ Steel Trading Private Limited.(w.e.f. 27th December, 2016	India	Trading of steel	74.00%	74.00%
(i)	<b>Entity Having Significant influence over the company</b>				
	Jindal Stainless Limited	India	Stainless Steel manufacturing	26.00%	26.00%
	Jindal Stainless(Hissar) Limited	India	Stainless Steel manufacturing		

## C. Related Party Transactions

(₹ in Lakhs)

Sl. No.	Particulars	Shareholding Company	
		2021-22	2020-21
1	<b>Purchase of Goods</b>	<b>74,792.60</b>	<b>39,632.29</b>
	Jindal Stainless Ltd	74,792.60	39,614.90
	Jindal Stainless(Hissar) Limited	-	17.39
2	<b>Job charges paid</b>	<b>47.48</b>	<b>-</b>
	Jindal Stainless Ltd	47.48	-
3	<b>Sale of Goods</b>	<b>35,569.11</b>	<b>13,988.03</b>
	Jindal Stainless Ltd	4,123.39	1,826.24
	Jindal Stainless(Hissar) Limited	31,445.72	12,161.79
4	<b>Job work Charges-Received</b>	<b>1,16,154.18</b>	<b>84,631.86</b>
	Jindal Stainless Limited	1,16,154.18	84,631.86
5	<b>Sharing of Exp. Reimbursed/to be Reimbursed</b>	<b>63.20</b>	<b>20.89</b>
	Jindal Stainless Ltd	63.20	20.89





## JINDAL UNITED STEEL LIMITED

6	Support Service Charges Paid Jindal Stainless Ltd	7,405.68 7,405.68	4,979.22 4,979.22
7	Security deposit repaid Jindal Stainless Ltd	20,464.00 20,464.00	- -
8	Interest paid Jindal stainless limited	737.00 737.00	737.00 737.00

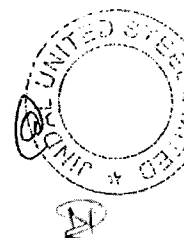
### D. Related Party Balances:

(₹ in Lakhs)

Sl. No.	Particulars	Shareholding Company	
		As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
1	Equity Share Capital / Preference Share Capital:		
(i)	Equity Share Capital	46,160.83	42,844.59
	Jindal Stainless Limited	12,001.84	11,139.59
	OPJ Steel Trading Private Limited	34,158.99	31,705.00
(ii)	10% NCNCRPS	8,767.33	8,767.33
	Jindal Stainless Limited	8,767.33	8,767.33
(iii)	0.01% NCCC preference share	5,503.16	6,365.41
	Jindal Stainless Limited	5,503.16	6,365.41
2	Balance as at the end of the Year		
	Security Deposit receivable (Including Prepaid amount)	-	20,464.00
	Jindal Stainless Limited*	-	20,464.00
	Receivable	2,049.40	456.48
	Jindal Stainless(Hissar) Limited	1,270.83	456.48
	Jindal Stainless Limited	778.57	
3	Borrowings(inter corporate deposits)	6,700.00	6,700.00
	Jindal Stainless Limited	6,700.00	6,700.00
4	Payables	-	4,068.77
	Jindal Stainless Ltd(current Account Balance)	-	4,068.77
	Jindal Stainless(Hissar) Limited	-	-

\* Due to Implementation of Composite Scheme of arrangement. (Refer Note no.33)

Note: Above transaction does not include interest free security deposit of ₹ 4,536 Lakhs payable to Jindal Stainless Ltd as per infrastructure sharing agreement executed on 05th May, 2015, which is yet to be paid.



# JINDAL UNITED STEEL LIMITED

## E. Key Management Personnel (KMP)

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Short-Term benefits	127.36	143.90
Defined contribution plan \$ #	4.74	4.84
<b>Total</b>	<b>132.10</b>	<b>148.74</b>

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

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

## 40. Earnings Per Share (EPS) computed in accordance with Indian Accounting Standard 33 "Earning Per Share".

Sl. No.	Particulars	(₹ in Lakhs)	
		As at 31.03.2022	As at 31.03.2021
a.	Net Profit/(Loss) after Tax as per Profit and Loss for basic EPS	14,848.33	-4135.32
b.	Add : Interest Expenses on potential equity shares (net of tax)	-	-
c.	Net Profit/(Loss) after Tax as per Profit and Loss for diluted EPS	-	-
d.	Weighted Average No. of Equity Shares for Basic EPS*	49,74,78,603	47,40,72,603
e.	Weighted average No. of Equity Shares for Diluted EPS	49,74,78,603	47,40,72,603
	Basic EPS Per Share ( in ₹ )	2.98	(0.87)
	Diluted EPS Per Share ( in ₹ )	2.98	(0.87)
	Face Value Per Share ( in ₹ )	10.00	10.00

\*Including 55,031,563, 0.01% Non-Cumulative Compulsorily Convertible Preference Shares (NCCPS) of ₹10/- each (Previous Year-63,654,063 NCCPS)

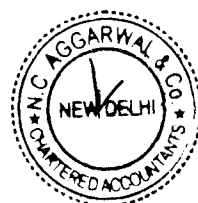
## 41. Financial risk management

### Financial risk factors

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

#### i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits 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, 2022 and March 31, 2021.



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## JINDAL UNITED STEEL LIMITED

### ii) Credit risk

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

### iii) Liquidity risk

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

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

### Market Risk

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

#### (a) Foreign exchange risk and sensitivity

The Company transacts business primarily in Indian Rupee, USD, Euro, CNY. The Company has foreign currency trade payables and is therefore, exposed to foreign exchange risk, though not material.

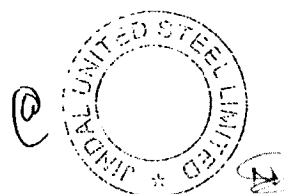
The following table demonstrates the sensitivity in the USD, Euro and CNY to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below:

#### Foreign Exchange Risk And Sensitivity (Unhedged)

(₹ in Lakhs)

Particulars	Change in currency exchange rate	Effect on profit before tax/preoperative expenses For the year ended March 31, 2022	Effect on profit before tax/preoperative expenses For the year ended March 31, 2021
USD	+5%	84.65	(42.36)
	-5%	(84.65)	42.36
Euro	+5%	116.00	3.20
	-5%	(116.0)	(3.20)

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



## JINDAL UNITED STEEL LIMITED

Summary of exchange difference accounted in Statement of Profit and Loss/preoperative expenses:

Particulars	(₹ in Lakhs)	
	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Net foreign exchange (gain) / losses shown as exceptional item	15.05	0.36
<b>Total</b>	<b>15.05</b>	<b>0.36</b>

### (b) Interest rate risk and sensitivity

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

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

Particulars	Increase /Decrease in Basis Points	(₹ in Lakhs)	
		Effect on profit before tax/preoperative expenses For the Year ended 31 March 2022	Effect on profit before tax/preoperative expenses For the Year ended 31 March 2021
INR Borrowings	+50	(1,021.13)	(1,207.19)
	-50	1,021.13	1,207.19

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

### Interest rate & currency of borrowings

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

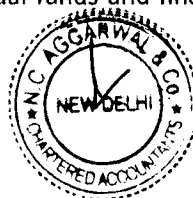
Particulars	(₹ in Lakhs)	
	For the Year Ended 2021-22	For the Year Ended 2020-21
Borrowing currency	₹	₹
Total Borrowings	2,19,693.81	2,57,073.75
Floating Rate Borrowings	2,10,926.48	2,48,306.42
Fixed Rate Borrowings	8,767.33	8,767.33
Weighted Average Interest Rate (%)	9.94%	10.83%

### (c) Commodity price risk and sensitivity

The Company is at present doing the major work on job work, so the commodity price risk is not materially affected. Hence Commodity Price risk and sensitivity is not applicable.

### 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.



## JINDAL UNITED STEEL LIMITED

### Trade Receivable

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

As on 31.03.2022

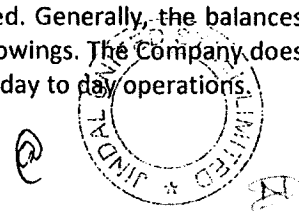
Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,518.48	2,954.32	12.38	1.86	0.03	11.53	4,498.60
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
<b>Total</b>	<b>1,518.48</b>	<b>2,954.32</b>	<b>12.38</b>	<b>1.86</b>	<b>0.03</b>	<b>11.53</b>	<b>4,498.60</b>

As on 31.03.2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,093.04	20.09	458.34	0.03	11.53	-	1,583.03
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
<b>Total</b>	<b>1,093.04</b>	<b>20.09</b>	<b>458.34</b>	<b>0.03</b>	<b>11.53</b>	<b>-</b>	<b>1,583.03</b>

### 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 UNITED STEEL LIMITED

## Liquidity risk

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

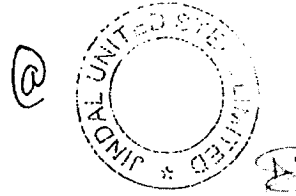
The table below provides undiscounted cash flows towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

For the Year ended 31 March 2022  
(₹ in Lakhs)

Particulars	As at March 31, 2022					
	Carrying Amount	Less than 1 Year	1-2 Year	2-3 Year	More than 3 years	Total
Interest bearing borrowings (including current maturities)	2,19,693.81	1,750.66	-	-	2,17,943.15	2,19,693.81
Trade payables	6,599.01	6,469.97	48.68	27.09	53.28	6,599.01
Other liabilities	2,684.10	2,591.48	37.68	23.84	31.10	2,648.10
<b>Total</b>	<b>2,28,976.92</b>	<b>10,812.11</b>	<b>86.35</b>	<b>50.93</b>	<b>2,18,027.53</b>	<b>2,28,976.92</b>

For the Year ended 31 March 2021  
(₹ in Lakhs)

Particulars	As at March 31, 2021					
	Carrying Amount	Less than 1 Year	1-2 Year	2-3 Year	More than 3 years	Total
Interest bearing borrowings (including current maturities)	2,57,073.75	745.07	-	-	2,56,328.68	2,57,073.75
Trade and other payables	7,869.19	7,796.55	22.74	8.13	41.77	7,869.19
Other liabilities	2,816.28	1,805.04	110.11	882.09	19.04	2,816.28
<b>Total</b>	<b>2,67,759.22</b>	<b>10,346.66</b>	<b>132.85</b>	<b>890.22</b>	<b>2,56,389.49</b>	<b>2,67,759.22</b>



## JINDAL UNITED STEEL LIMITED

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.

### 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 aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

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

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

The Company monitors capital using gearing ratio, which is net debt divided by total capital which is given as under:-

### Gearing Ratio

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Loans and borrowings	2,19,693.81	2,57,073.75
Less: Cash and cash equivalents	364.74	563.89
Net debt	2,19,347.07	2,56,509.86
Total capital	61,571.65	42,723.99
Capital and net debt	2,80,918.72	2,99,233.85
Gearing ratio	78%	85%

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 UNITED STEEL LIMITED

## 42. 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, 2022		As at March 31, 2021	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets designated at fair value through profit and loss*</b>				
Investment (In mutual funds - current)	7,563.33	7,563.33	7,525.12	7,525.12
<b>Financial assets designated at fair value through OCI*</b>				
Investment (In shares - non current)	14.02	14.02	4.67	4.67
<b>Financial assets designated at amortized cost</b>				
Fixed Deposits	884.09	884.09	848.86	848.86
Cash and cash equivalents	346.74	346.74	563.89	563.89
Trade Receivable	4,498.60	4,498.60	1,583.03	1,583.03
Other Financial Assets	681.18	681.18	2,868.76	2,868.76
	<b>13,987.96</b>	<b>13,987.96</b>	<b>13,394.33</b>	<b>13,394.33</b>
<b>Financial liabilities designated at amortized cost</b>				
Borrowings- fixed rate	8,767.33	8,767.33	8,767.33	8,767.33
Borrowings- floating rate	2,10,926.48	2,10,926.48	2,48,306.42	2,48,306.42
Trade payables	6,599.01	6,599.01	7,869.19	7,869.19
Other financial liabilities	2,684.10	2,684.10	2,816.28	2,816.28
	<b>2,28,976.92</b>	<b>2,28,976.92</b>	<b>2,67,759.22</b>	<b>2,67,759.22</b>

\*all the expenses carried to expenditure during construction period forming part of Capital Work in Progress.

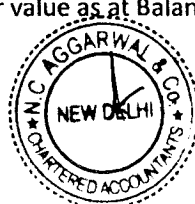
### Fair Value Hierarchy

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices/NAV for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date.



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## JINDAL UNITED STEEL LIMITED

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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

### Assets / Liabilities measured at fair value (Accounted)

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment						
- In shares – Non-current	14.02	-	-	4.67	-	-
- In mutual funds – current	7,563.33	-	-	7,525.12	-	-

### Assets / Liabilities for which fair value is disclosed:

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Liabilities						
-Borrowings – Fixed Rate	-	8,767.33	-	-	8,767.33	-
Other Financial Liabilities	-	2,684.10	-	-	2,816.28	-

During the year ended March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

Following table describes the valuation techniques used and key inputs for valuation under fair value hierarchy as of March 31, 2022 and March 31, 2021 respectively:



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## JINDAL UNITED STEEL LIMITED

### a) Assets / Liabilities measured at fair value(accounted)

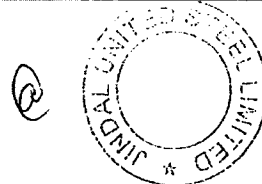
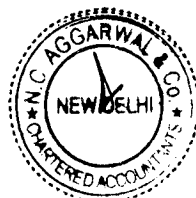
Particulars	Fair value hierarchy	Valuation technique	Inputs used	Quantitative information about significant unobservable inputs
<b>Financial assets</b>				
Investment in Mutual Funds- Current	Level 1	Market Valuation techniques	As per NAV of Mutual Fund	-
Investment in Quoted Equity Shares	Level 1	Market Valuation techniques	Quoted price in Stock Exchange	-

### b) Assets / Liabilities for which fair value is disclosed

Particulars	Fair Value Hierarchy	Valuation Technique	Inputs Used
<b>Financial Liabilities</b>			
Other Borrowings – Fixed Rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market, Future pay-outs
Other Financial Liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates to discounted Future cash flows

### 43. Income tax expense

Particulars	For the year ended March 31,2022	For the year ended March 31,2021
<b>Current Tax</b>		-
<b>Deferred Tax</b>		
Relating to Origination and reversal of temporary differences	6,028.39	(2,266.87)
	6,028.39	(2,266.87)
<b>Tax Expenses attributable to current year's profit</b>	6,028.39	(2,266.87)
Adjustments in respect of income tax of previous year	-	-
<b>MAT</b>		
MAT Credit entitlement	-	-
MAT Credit entitlement-Prior Period	-	-
	-	-
<b>Total tax Expenses</b>	6,028.39	(2,266.87)



## JINDAL UNITED STEEL LIMITED

### Effective Tax Rate (ETR) reconciliation

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

(₹ in Lakhs)

Sl. No.	Description	2021-22	2020-21
	Net Income/(Loss) before taxes	20,877.22	(6,402.19)
	Enacted tax rate	25.168%	34.944%
	Computed tax (Income)/Expense	5,254.38	(2,237.18)
	<b>Increase/(reduction) in taxes on account of:</b>		
1	Tax related to change of tax rate	845.56	-
2	Tax related to earlier period	-	-
3	Permanent Disallowance	(71.55)	(29.69)
	<b>Income tax Expense/(Income) reported</b>	<b>6,028.39</b>	<b>(2,266.87)</b>

### 44. Deferred income tax

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Book base and tax base of Fixed Assets	(16,653.29)	27,816.70
(Disallowance)/ Allowance (net) under Income Tax	(2,094.92)	(526.59)
Financial asset & financial liabilities measured at amortized cost	279.27	(287.32)
Brought forward losses set off	24,496.93	(29,261.47)
<b>Total</b>	<b>6,027.99</b>	<b>(2,258.68)</b>

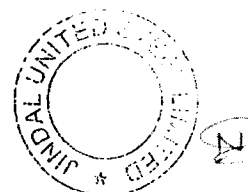
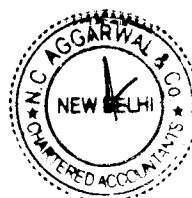
### 45. Retirement Benefit Obligation

#### 1. Expense recognised for Defined Contribution plan

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Company's contribution to provident fund	115.98	106.71
Company's contribution to ESI	1.69	0.99
Company's contribution to superannuation fund	-	-
<b>Total</b>	<b>117.67</b>	<b>107.70</b>

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in Balance Sheet as of March 31, 2022 and March 31, 2021, being the respective measurement dates:



## JINDAL UNITED STEEL LIMITED

### 2. Movement in Defined benefit obligation

#### a) Gratuity

(₹ in Lakhs)

Particulars	Gratuity (Unfunded) as on 31.03.2022	Gratuity (unfunded) as on 31.03.2021
Present value of the obligation at the beginning of the year	237.76	234.38
Interest cost	16.17	15.98
Current service cost	32.02	29.02
Acquisition adjustment - IN	0.29	3.44
Benefits paid	(5.45)	(9.39)
Acquisitions / Transfer in/ Transfer out	-	(15.24)
Re-measurements - actuarial loss/ (gain)	10.92	(20.44)
Present value of the obligation at the end of the year	291.71	237.76

#### b) Leave Encashment (Compensated Absence)

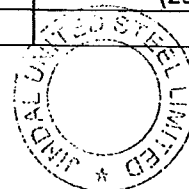
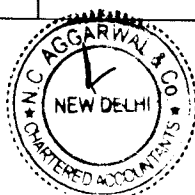
(₹ in Lakhs)

Particulars	Leave Encashment (unfunded) as on 31.03.2022	Leave Encashment (unfunded) as on 31.03.2021
Present value of the obligation at the beginning of the year	139.45	137.13
Interest cost	9.48	9.35
Current service cost	20.22	20.34
Benefits paid	(32.95)	(33.70)
Acquisitions / Transfer in/ Transfer out	-	(2.01)
Acquisition adjustment - IN	0.24	3.73
Re-measurements - actuarial loss/ (gain)	17.39	4.61
Present value of the obligation at the end of the year	153.83	139.45

### 3. Movement in Plan Assets – Gratuity

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fair value of plan assets at beginning of year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Amount received on redemption of plan assets	-	-
Acquisitions / Transfer in/ Transfer out	-	-
Actuarial gain / (loss)	-	-
Fair value of plan assets at end of year	-	-
Present value of obligation	291.71	237.76
Net funded status of plan	(291.71)	(237.76)
Actual return on plan assets	-	-



## JINDAL UNITED STEEL LIMITED

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

### 4. Recognised in profit and loss/Pre-operative expenses

#### a) Gratuity

(₹ in Lakhs)

Particulars	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Current Service cost	32.02	29.02
Interest cost	16.17	15.98
Expected return on plan assets	-	-
Re-measurement - Actuarial loss/(gain)	-	-
Past service cost	-	-
Expenses recognized in Pre operative expenses	48.19	45.00
Actual return on plan assets	-	-

#### b) Leave Encashment (Compensated Absence)

(₹ in Lakhs)

Particulars	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Current Service cost	20.22	20.34
Interest cost	9.48	9.35
Expected return on plan assets	-	-
Re-measurement - Actuarial loss/(gain)	17.39	4.61
Past service cost	-	-
Expenses recognized in P&L A/c	47.09	34.30

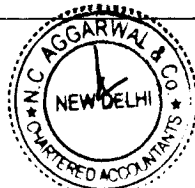
### 5. Recognised in other comprehensive Income

(₹ in Lakhs)

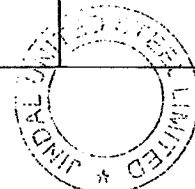
Particulars	Gratuity for the year ended on 31st March 2022	Gratuity for the year ended on 31st March 2021
Re-measurement - Actuarial loss/(gain)	10.92	(20.44)

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

Weighted average actuarial assumptions	As of 31st March, 2022	As of 31st March, 2021
Attrition rate	NA	NA
Discount Rate	7.18%	6.80%
Expected Rate of increase in Compensation levels	5.50%	5.50%
Expected Rate of Return on Plan Assets	NA	NA
Mortality rate	100% IALM (2012-14)	100% IALM (2012-14)
Expected Average remaining working lives of employees (years)	18.16	18.63



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## JINDAL UNITED STEEL LIMITED

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2018-19 as considered in previous I-GAAP on transition to IND AS.

### 7. Sensitivity analysis:

#### a) Gratuity

(₹ in Lakhs)

Particulars	Change in Assumption	Effect for the year ended on 31st March, 2022	Effect for the year ended on 31st March, 2021
Discount rate	0.5%	(17.15)	(15.00)
	(0.5)%	18.74	16.46
Salary Growth rate	0.5%	18.69	16.59
	(0.5)%	(17.23)	(15.25)

#### b) Leave Encashment (Compensated Absence)

(₹ in Lakhs)

Particulars	Change in Assumption	Effect for the year ended on 31st March, 2022	Effect for the year ended on 31st March, 2021
Discount rate	0.5%	(9.44)	(9.19)
	(0.5)%	10.18	10.00
Salary Growth rate	0.5%	10.36	10.11
	(0.5)%	(9.54)	(9.27)

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:

(₹ in Lakhs)

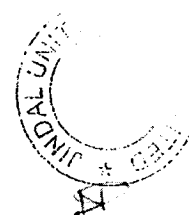
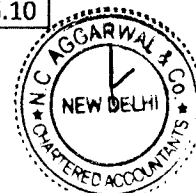
Particulars	Gratuity	Leave Encashment
<b>For the year ended March 31, 2022</b>		
Plan Liabilities - (loss)/gain	(24.98)	(25.10)
Plan Assets - (loss)/gain	-	-
<b>For the year ended March 31, 2021</b>		
Plan Liabilities - (loss)/gain	21.07	(4.19)
Plan Assets - (loss)/gain	-	-

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

For the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Gratuity	Compensated Absence
Year-1	10.76	8.44
Year-2	5.34	2.92
Year-3	5.28	2.77
Year-4	25.97	13.62
Year-5	8.30	3.41
Year-6	9.53	6.58
Year-6 Onwards	226.52	116.10



# JINDAL UNITED STEEL LIMITED

For the year ended March 31, 2021 (₹ in Lakhs)

Particulars	Gratuity	Compensated Absence
Year-1	5.00	6.13
Year-2	7.76	4.18
Year-3	4.32	2.55
Year-4	4.24	2.46
Year-5	20.41	11.14
Year-6	6.46	3.23
Year-6 Onwards	189.55	109.74

## 9. Statement of Employee benefit provision

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gratuity	291.70	237.75
Compensated absences	153.84	139.45
Other employee benefits	-	-
<b>Total</b>	<b>445.54</b>	<b>377.20</b>

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

## 10. Current and non-current provision for Gratuity and leave encashment

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment
Current provision	10.76	8.44
Non-current provision	280.94	145.40
<b>Total Provision</b>	<b>291.70</b>	<b>153.84</b>

As at 31<sup>st</sup> March, 2021

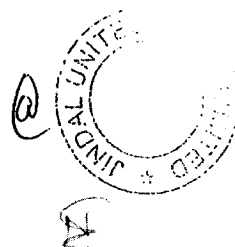
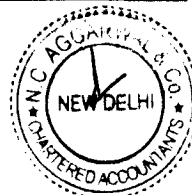
(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment
Current provision	5.00	6.13
Non-current provision	232.75	133.31
<b>Total Provision</b>	<b>237.75</b>	<b>139.44</b>

## 11. Employee benefit expenses

(₹ in Lakhs)

Employee benefit expenses	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and Wages	2,831.85	2,391.23
Costs-defined benefit plan	134.00	122.82
Welfare expenses	33.33	32.36
<b>Total</b>	<b>2,999.18</b>	<b>2,546.41</b>



## JINDAL UNITED STEEL LIMITED

(Figure in No.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Average no of people employed	303	300

### OCI presentation of defined benefit plan

-Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

-Leave encashment cost is in the nature of short term employee benefits.

### Presentation in Statement of Profit and Loss/ operative expenses and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of operative expenses.

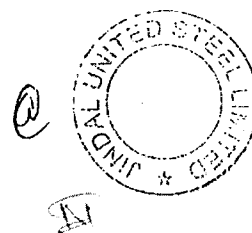
IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

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.

46."Due to outbreak of Coronavirus Disease 2019 (COVID-19) which has been declared as a Pandemic by the World Health Organization and subsequent lock down ordered by the Central and State Government(s) in India, the manufacturing operations of the Company were suspended from 25th March 2020. Subsequently, the Company resumed operations in the phased manner while complying with the necessary instructions/guidelines issued by relevant authorities. The Company is gradually ramping up its operations depending upon the market conditions. This Pandemic has disturbed the economic activities in the Country and the Company is closely monitoring the impact on its operations and sustainability. The Company, as on the date of approval of these Financial Statements, believes that this Pandemic may not have a significant adverse impact on the long term operations and performance of the Company. "





# JINDAL UNITED STEEL LIMITED

## 47. Other Disclosures

### a) Auditors Remuneration

(₹ in Lakhs)		
Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>Statutory Auditors</b>		
a) Audit Fees	3.90	3.90
b) Tax Audit Fees	1.15	1.15
<b>Total</b>	<b>5.05</b>	<b>5.05</b>
<b>Cost Auditor</b>		
a) Audit Fees	0.50	0.55
<b>Total</b>	<b>0.50</b>	<b>0.55</b>

b) The Company has not proposed any dividend to its shareholders during the year.

c) The Company has not given any loan or given any guarantee with respect to the parties covered under section 186(4) of the Companies Act, 2013. The Company has made investments in one Company covered under section 186(4) of the Companies Act, 2013 in one associate as depicted in Long Term Investment Schedule.

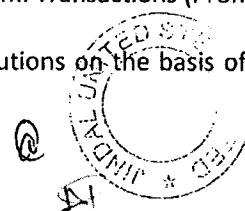
## 48. Additional Regulatory Information

- The company does not have any immovable property. Hence the disclosure requirement is not applicable.
- The Company has not revalued its Property, Plant and Equipment as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 during the year 2021-22 and 2020-21.
- The company has not granted any loan to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- Ageing of Capital-Work-in Progress (CWIP) is as below:-

### (a) Capital-Work-in Progress (CWIP)

CWIP	Amount in CWIP for a period of			(Amount in Rs.)	
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	46,32,58,811	59,63,259	-	1,61,58,085	48,53,80,156

- The company does not own any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Company does not have loan from banks or financial institutions on the basis of security of current assets.



## JINDAL UNITED STEEL LIMITED

- vii. Company is not declared wilful defaulter by any bank or financial Institution or other lender.
- viii. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- ix. The company do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- x. The provisions related to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable on the company.
- xi. **Financial Ratios:-**

S.No	Ratio	31-Mar-22	31-Mar-21	% change	Reason for variance more than 25%
1	Current ratio	2.00	1.54	30%	Movement in ratio due to increase in Inventory and trade receivables
2	Debt- Equity Ratio	3.56	6.00	-41%	Movement in ratio due to loan repayment and improvement in EBITDA
3	Debt Service Coverage ratio	0.77	1.24	-38%	Movement in ratio due to loan repayment and improvement in EBITDA
4	Return on Equity ratio	0.28	(0.11)	-371%	Increase in ratio as the company has earned profit for the year as compared to net loss for previous year.
5	Inventory Turnover ratio	6.91	3.30	110%	Increase in ratio due to increase of cost of goods sold
6	Trade Receivable Turnover Ratio	48.78	95.96	-49%	Increase in ratio due to lower receivables and increase in turnover.
7	Trade Payable Turnover Ratio	3.30	1.18	179%	Increase in ratio due to increase of cost of goods sold
8	Net Capital Turnover Ratio	2.43	2.13	14%	Not applicable
9	Net Profit ratio	0.10	(0.05)	-319%	Increase in ratio is due to increase in profitability of the company.
10	Return on Capital Employed	(0.01)	(0.12)	-93%	Increase in ratio is due to increase in profitability of the company.
12	Return on Investment	0.04	0.02	61%	Increase in ratio due to income from mutual fund investment

Formulae for computation of ratios are as follows :

(a) Current Ratio : Current assets / Current liabilities

(b) Debt Equity Ratio : Total Debt/ Net Worth

Total Debt : Secured Loans + Unsecured Loans - Liquid Investments

Net Worth : Equity Share Capital + Reserves (Excluding Revaluation Reserve)

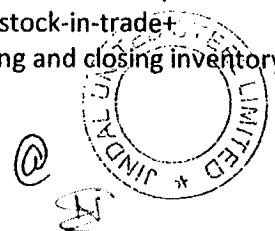
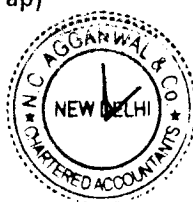
(c) Debt Service Coverage Ratio : EBDIT / (Finance costs + Principal repayment of long term debt during the period)

(d) Return on Equity Ratio = Net Income/Shareholder's equity

Net Income : Profit after tax

Shareholder's equity : Equity Share Capital + Reserves (Excluding Revaluation Reserve)

(e) Inventory turnover ratio : (Cost of material consumed + Purchase of stock-in-trade + Changes in inventories)/(average of opening and closing inventory of RM, SFG, FG and Scrap)



## JINDAL UNITED STEEL LIMITED

- (f) Trade Receivables turnover ratio = Net Credit Sales / (Average of opening and closing trade receivable for the period)
- (g) Trade payables turnover ratio : (Cost of material consumed+ Purchase of stock-in-trade+ Changes in inventories )/ (Average of opening and closing trade payable for the year)
- (h) Net capital turnover ratio : Total Turnover / Shareholder's equity  
Shareholder's equity : Equity Share Capital + Reserves (Excluding Revaluation Reserve)
- (i) Net Profit ratio : Net Profit/Total income
- (j) Return on Capital employed: EBIT/ Capital employed  
EBIT : (Profit before tax + finance cost)  
Capital employed : (Total Assets - Current Liability)

xii. At its meeting held on 28 January, 2022, the Board considered and approved a Composite Scheme of Arrangement pursuant to Sections 230 to 232 and other relevant provisions of Companies Act, 2013, amongst the Company and Jindal Coke Limited ('Scheme'). The aforementioned Scheme is subject to necessary statutory and regulatory approvals under applicable laws, including approval of the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT").

xiii. The company has not advanced/ loaned/ invested funds (borrowed/share premium/any other sources of kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The company has not received any funds from any other person(s) or entity(ies), including foreign entities (Funding Party), with the understanding (whether recorded in writing or otherwise) that the company shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

- xiv. No income has been surrendered or disclosed for which transaction was not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- xv. CSR provisions under section 135 of the Companies Act are not applicable to this company.
- xvi. There is no transaction related to Crypto Currency or Virtual Currency. Hence, Not applicable.

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

50. Figures in bracket indicate previous year figures.



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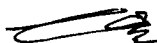
# JINDAL UNITED STEEL LIMITED

51. Notes 1 to 50 are annexed to and form an integral part of financial statements.

## AUDITOR'S REPORT

In terms of our report of even date annexed hereto

For N.C. Aggarwal & Co.  
Chartered Accountants



(G.K. Aggarwal)

Partner

Membership No. 086622  
FRN 003273N

Place: New Delhi

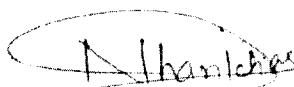
Date: 29th April, 2022



  
Om Prakash Verma

(Director)

DIN: 07137865


  
Narinder Dhankar  
(Chief Financial Officer)

For and on behalf of the Board of Directors of  
Jindal United Steel Limited

  
Rahul Himatsingka

(Whole Time Director)

DIN: 03633751

  
Akhand Kirty  
(Company Secretary)  
ACS-53378

