JINDAL STEEL & POWER

March 20, 2018

National Stock Exchange of India Limited	BSE Limited
Listing Department	Department of Corporate Services
Exchange Plaza, Bandra Kurla Complex	Floor 25, Phiroze Jeejeebhoy Towers
Bandra (East)	Dalal Street
Mumbai 400 051	Mumbai 400 001
Security code no.: JINDALSTEL	Security code no.: 532286

Sub: Intimation pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"Listing Regulations"**).

Dear Sir/ Madam,

In terms of Regulation 30 of the Listing Regulations, this is to inform you that the Directors of the Company *vide* resolutions by circulation passed today, i.e. March 20, 2018, have approved the following:

(i) Un-audited Special Purpose Interim Condensed Consolidated Financial Statements as of and for the nine months ended December 31, 2017 ;

(ii) Special Purpose Ind AS Consolidated Financial Statements for the Fiscal Year 2016.

A copy each of the above as approved by the Directors of the Company is enclosed for your information and record. We are also forwarding herewith a copy of the Auditors' Reports received from our Statutory Auditors, Lodha & Co., Chartered Accountants, on the aforementioned financial statements.

Further, the above information is being uploaded on the website of the Company (www.jindalsteelpower.com).

We request you to treat that this intimation as compliance with Regulation 30 of the Listing Regulations and disseminate the above information on your website.

Thanking you.

Yours faithfully,
For and on behalf of **Jindal Steel & Power Limited**

Jagadish Patrra
Vice President & Company Secretary

Encl: As above

Jindal Steel & Power Limited
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Registered Office O. P. Jindal Marg, Hisar, 125 005, Haryana

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INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors of
Jindal Steel & Power Limited

Background

1. We have audited in accordance with Ind-AS (as defined hereinafter) the consolidated balance sheet, statement of profit and loss (including other comprehensive income), statement of cash flows and statement of changes in equity and related notes thereto as at and for the year ended March 31, 2017 ("**FY17 Consolidated Financial Statements**") of Jindal Steel & Power Limited ("**the Company**" or "**the Holding Company**") and its subsidiaries (the Holding Company & its subsidiaries together referred as "**the Group**"), its associates and jointly controlled companies and have issued our audit report dated May 23, 2017 ("**FY17 Audit Report**") in this regard. The FY17 Consolidated Financial Statements included the comparative figures for the year ended March 31, 2016. However, we did not issue a separate audit opinion on such comparative figures prepared by the management of the Company under Ind-AS in our FY17 Audit Report which has been audited by us.

2. We did not audit the consolidated balance sheet, statement of profit and loss, statement of cash flows and related notes thereto as at and for the year ended March 31, 2016 as prepared under Indian GAAP (as defined hereinafter) of the Group, its associates and jointly controlled companies ("**FY16 Indian GAAP Consolidated Financial Statements**"). The erstwhile auditors of the Company, S.R. Batliboi & Co. LLP conducted an audit of the FY16 Indian GAAP Consolidated Financial Statements and issued an audit report dated May 4, 2016 in this regard ("**FY16 Audit Report**").

3. The Company adopted Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as amended ("**Companies Act**"), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("**Ind-AS Rules**", and such standards, "**Ind-AS**"), with effect from April 1, 2016, with April 1, 2015 as the date of transition. For all periods up to and including the year ended March 31 2016, the Company had prepared its financial statements in accordance with accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended (referred to as "**Indian GAAP**"). The Company has consistently applied the accounting policies used in the preparation of its opening Ind-AS balance sheet as at April 1, 2015 throughout all periods presented (i.e. subsequent to this), as if these policies had always been in effect and are covered by Ind-AS 101 "First-time adoption of Indian Accounting Standards" and this is to be read with Note no. 72. The transition was carried out from accounting principles under Indian GAAP which is considered as the previous generally accepted accounting principles, as defined in Ind-AS 101 to Ind-AS.

Report on the Consolidated Ind-AS Financial Statements

4. Based on the request received from the Company's management and for the purposes of inclusion in the preliminary placement document and the placement document (together referred to as the "**Placement Documents**") and other related material prepared in connection with the

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proposed offering of the equity shares by way of qualified institutions placement in accordance with section 42 of part II of chapter III of the Companies Act read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended ("**PAS Rules**") and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("**QIP**"), we have audited the adjustments carried out by the management between the Indian GAAP and in the accounting principles adopted by the Company on transition to the Ind-AS made in these Special Purpose FY16 Ind-AS Consolidated Financial Statements comprising of the consolidated balance sheet, statement of profit and loss (including other comprehensive income), statement of cash flows and statement of changes in equity and related notes thereto as at and for the year ended March 31, 2016 ("**Special Purpose FY16 Ind-AS Consolidated Financial Statements**"), and have been prepared in accordance with the requirements of the Companies Act, 2013 read with the rules framed thereunder and amended from time to time, (the "**Companies Act**") and Ind-AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and which are based on the previously issued FY16 Indian GAAP Consolidated Financial Statements prepared in accordance with Indian GAAP audited by the Company's previous auditor whose report dated May 4, 2016 expressed an qualified opinion on those FY16 Indian GAAP Consolidated Financial Statements.

Management's Responsibility

5. The Company's board of directors is responsible for the matters stated in Section 134(5) of the Companies Act with respect to the preparation of these Special Purpose FY16 Ind-AS Consolidated Financial Statements for the year ended March 31, 2016 in accordance with the basis of accounting described in Note No. 3

   The responsibility of the management also includes maintenance of adequate accounting records in accordance with the provisions of the Companies 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 Special Purpose FY16 Ind-AS Consolidated Financial Statements.

Auditor's Responsibility

6. Our responsibility is to express an opinion on these Special Purpose FY16 Ind-AS Consolidated Financial Statements based on our audit.

   We conducted our audit of the Special Purpose FY16 Ind-AS Consolidated Financial Statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. \

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose FY16 Ind-AS Consolidated Financial Statements.

Our audit of the adjustments for the difference in the accounting principles adopted by the Company on transition to Ind-AS of the FY16 Indian GAAP Consolidated Financial Statements for the year ended March 31, 2016 has been carried out in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibility is to issue a report on the Special Purpose FY16 Ind-AS Consolidated Financial Statements based on our review of the Special Purpose FY16 Ind-AS Consolidated Financial Statements prepared by the management of the Company.

Basis of qualified opinion

7. The previous auditor has issued a qualified opinion on the FY16 Indian GAAP Consolidated Financial Statements (this is to be read as stated in para 4 above) which are reproduced herein below:-

    a) As detailed in note no. 58(i) and (iii) of the Special Purpose Ind-AS Consolidated Financial Statements, based on the Order of Hon'ble Supreme Court of India, the Group paid an additional levy of ₹ 295 per metric ton on gross coal extracted from its operational mines. Through March 31, 2015, such levy on the gross extraction amounts to ₹ 3,267.43 crore. Based on legal opinion, the Group had recorded ₹ 1,911.64 crore as an exceptional item representing the levy on net extraction (run of mines less shale, rejects and ungraded middling) of coal in last year. Had the gross levy been recorded, net loss before tax for the year ended March 31, 2016, would have been higher by ₹ 1,355.79 crore and reserves and surplus as at March 31, 2016, would have been lower by ₹ 1,355.79 crore.

    b) As detailed in note no. 58(ii) of the Special Purpose Ind-AS Consolidated Financial Statements, the Group has not made adjustment in the net carrying value of investment made in mining assets including land, infrastructure and clearance, etc., of ₹ 608.58 crore as at March 31, 2016 (including ₹ 183.58 crore by a subsidiary), pending finalization of the compensation claim filed by the Company with the Government authorities. Accordingly, we are unable to comment on the matter including any consequential adjustments that may be required in this regard in these Special Purpose Ind-AS Consolidated Financial Statements.

    c) As detailed in Note 65 of the Special Purpose Ind-AS Consolidated Financial Statements, the Company has an investment in overseas subsidiary whose total assets as at March 31, 2016 are ₹ 4,335.90 crore, total revenue is ₹ 37.02 crore during the year ended March 31, 2016, which has been consolidated in Special Purpose Ind-AS Consolidated Financial Statements based on management certified accounts. In respect of above matter, audit report for the year ended March 31, 2015 was similarly qualified by previous auditor. During the year ended March 31, 2015, the financial statements of above subsidiary for the year ended March 31, 2015 was consolidated based on unaudited management certified accounts. During the current year, financial statements of above subsidiary have been consolidated based on audited financial statements for the year ended March 31, 2015 and accordingly our audit report is modified only for the unaudited management certified accounts for the year ended March 31, 2016. In the absence of the audited financial statements of this subsidiary, we are unable to comment upon the consequential effects, if any on the accompanying Special Purpose Ind-AS Consolidated Financial Statements had the said audited financial statements of this subsidiary been made available to us.

Qualified Opinion

8. Except for the effects / possible effects of the observation stated in "Basis of Qualified Opinion" paragraph as stated above, nothing has come to our attention that causes us to believe that the accompanying financial statements have not been prepared in accordance with the basis set out in Note No. 3 to the Special Purpose Ind-AS Consolidated Financial Statements, or that it contains any material misstatement or omission.

9. **Other Matters**
   a) We have only audited the adjustments carried out by the management between Indian GAAP and accounting principles adopted by the Company on transition to Ind-AS, as stated in para 4 above. However, the previous auditor who has audited the FY16 Indian GAAP Consolidated Financial Statements has stated the matters below under the "Other Matters" paragraph of FY16 Audit Report which are reproduced herein below-
      (i) The accompanying consolidated financial statements include total assets of ₹ 25,952.90 crore as at March 31, 2016, and total revenues and net cash outflows of ₹ 5,625.80 crore and ₹ 641.01 crore for the year ended on that date, in respect of 62 subsidiaries, and 3 jointly controlled entities which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Company's share of net loss of ₹ 1.40 crore for the year ended March 31, 2016, as considered in the consolidated financial statements, in respect of 3 associates, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Companies Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the report(s) of such other auditors.
      (ii) The accompanying consolidated financial statements include total assets of ₹ 5,120.79 crore as at March 31, 2016, and total revenues and net cash outflows of ₹ 40.40 crore and ₹ 9.52 crore for the year ended on that date, in respect of 26 subsidiaries which have not been audited, which unaudited financial statements and other unaudited financial information have been furnished to us. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Companies Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the

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Management, these financial statements and other financial information of these entities (except for an entity as referred above in paragraph (c) of "Basis for qualified opinion") are not material to the Group.

(iii) As detailed in Note 63 (iii) of the Special Purpose Ind-AS Consolidated Financial Statements, one of the subsidiary companies has changed the method of providing depreciation on certain fixed assets from straight line method to written down value method from April 1, 2015 and such a change has been accounted as a change in estimate in accordance with requirements of Accounting Standard (AS) 10 and AS 5 notified by Ministry of Corporate Affairs (MCA) on March 30, 2016 vide Companies (Accounting Standards) Amendment Rules, 2016. The financial statements of the said subsidiary have been approved by the board of directors ("**BOD**") of the subsidiary in its meeting held on April 27, 2016. On April 27, 2016, the MCA clarified that the above notification would be applicable for the accounting period commencing from the date of the said notification. However, based on the legal opinion obtained by the Parent company and said Company, the financial statements of the said subsidiary as approved by the subsidiary's BOD on 27th April 2016, prepared after considering the impact of such change in method of providing depreciation on certain fixed assets prospectively as a change in estimate rather than retrospectively as per the requirements of relevant accounting standard prior to such amendment, have been considered for the purpose of preparation of the consolidated financial statements of the Group.

b) Certain subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India as per the Ind-AS and we have only relied on these conversion adjustments made by the management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company.
As stated in para 9(a)(i) above, financial statements of certain subsidiaries for the year ended March 31, 2016 were audited under Indian GAAP. We have relied upon the statement prepared for the purpose of converting the Indian GAAP financial statements to Ind-AS financial statements, prepared by the management of the Company.

c) Further, the previous auditor vide its report dated May 4, 2016 has given a qualified opinion in its report on the Internal Financial Controls over Financial Reporting under clause (i) of Sub-section 3 of Section 143 of the Companies Act which is reproduced below:

> According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls system over financial reporting in case of subsidiary companies, associate companies and jointly controlled companies, which are companies incorporated in India, the following material weaknesses have been identified as at March 31, 2016:

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a) The Group's internal financial controls over adjustment and provision to be made in regard to expenses relating to additional coal levy were not operating effectively which could potentially result in the material misstatement in the financial statements by way of Group recording lower expense.
b) The Group's internal financial controls over adjustments and provisions to be made in the carrying value of investment in mining assets including land, infrastructure and clearance, etc. were not operating effectively which could potentially result in the material misstatement in the financial statements by way of the Group carrying the assets at a higher value.
c) The Holding Company's internal financial controls in respect of the financial statement closure process, in respect of consolidation of unaudited financial statements of overseas subsidiary, were not operating effectively which could potentially result in materials misstatement in the preparation of consolidated financial statements by consolidating unaudited financial statements of such overseas entities.

10. Based on the request received from the Company's management and for the purposes of inclusion in Placement Documents and other related material prepared iu connection with the proposed offering of the equity shares by way of a QIP, this Special Purpose Audit Report on the Special Purpose FY16 Ind-AS Consolidated Financial Statements can be included in Placement Documents prepared in connection with the QIP of the Company and may be submitted/ filed with the and the Securities Exchange Board of India ("**SEBI**") and stock exchanges where the Company's equity shares are listed.

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

(N. K. Lodha)
Partner
Membership No. 085155

LODHA & CO. New Delhi Chartered Accountants

Place: New Delhi
Date: March 20, 2018

JINDAL STEEL & POWER LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 ST MARCH, 2016

₹ in crores

Particulars	Note	As at 31st March, 2016
ASSETS		
(1) Non - current assets		
(a) Property, plant and equipment	6	61,212.22
(b) Capital work - in - progress	6	10,702.70
(c) Investment property	7	32.41
(d) Goodwill	8	548.45
(e) Intangible assets	8	3,277.43
(f) Intangible assets under development		1,124.10
(g) Biological assets other than bearer plants	8	0.45
(h) Financial assets		
(i) Investments	9	359.36
(ii) Loans	10	950.38
(ii) Bank balances	11	66.90
(iii) Others Financial assets	12	511.42
(i) Other non - current assets	13	880.77
(2) Current assets		
(a) Inventories	14	3,254.10
(b) Financial assets		
(i) Investments	15	0.03
(ii) Trade receivables	16	1,429.18
(iii) Cash and cash equivalents	17	502.46
(iv) Bank balances other than (iii) above	18	117.92
(v) Loans	19	211.52
(vi) Others Financial assets	20	979.41
(c) Current tax assets (net)	21	569.33
(d) Other current assets	22	5,667.85
Total assets		**92,398.39**
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	23	91.49
(b) Other equity	24	32,344.61
(c) Non controlling interest		899.83
LIABILITIES		
(1) Non - current liabilities		
(a) Financial liabilities		
(i) Borrowings	25	36,353.90
(ii) Trade payables	26	-
(ii) Other financial liabilities	27	93.70
(b) Provisions	28	195.73
(c) Deferred tax liabilities (net)	29	5,872.37
(d) Other non - current liabilities		-
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	30	7,777.95
(ii) Trade payables	31	2,317.74
(iii) Other financial liabilities	32	5,040.34
(b) Other current liabilities	33	1,345.93
(c) Provisions	34	64.80
(d) Current tax liabilities (net)		-
Total Equity & Liabilities		**92,398.39**

Overview and Significant Accounting Policies 1-5

The notes referred to above form an integral part of financial statements

As per our report of even date

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

N.K Lodha
Partner
Membership No. 85155

Place: New Delhi
Dated: 20th March, 2018

For & on behalf of the Board of Directors

Naveen Jindal
Chairman
DIN: 00001523

Rajeev R. Bhadauria
Wholetime Director
DIN: 00376562

Deepak Sogani
Chief Financial Officer

Jagadish Patrra
Company Secretary

LODHA & CO. New Delhi Chartered Accountants

JINDAL STEEL & POWER LIMITED

JINDAL STEEL & POWER LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

₹ in crores

	Particulars	Note	Year ended 31st March, 2016
I	Revenue from operations	35	21,465.64
	Less: Captive Sales for own projects		(1,097.51)
II	Other income	36	156.69
III	**Total income (I + II)**		20,524.82
IV	Expenses		
	Cost of materials consumed	37	6,076.27
	Purchases of stock - in - trade	38	20.58
	Changes in inventories of finished goods, work -in -progress and scrap	39	448.19
	Employee benefits expense	40	946.57
	Finance costs(Net)	41	3,253.56
	Depreciation and amortization expense		4,067.88
	Excise Duty		1,996.90
	Other expenses	42	8,540.26
	Total expenses		**25,350.21**
	Less: Captive Sales for own projects		(1,097.51)
			24,252.70
V	**Profit / (loss) before exceptional items and tax (III - IV)**		**(3,727.88)**
VI	Exceptional items	66	(235.83)
VII	**Profit / (loss) before tax (V - VI)**		**(3,963.71)**
VIII	Tax expense		
	current tax		0.67
	Deferred tax	43	(878.13)
	Total tax expense/(credit)		(877.46)
IX	**Profit / (loss) for the period (VII - VIII)**		**(3,086.25)**
X	Share in Profit / (Loss) of associates (Net of tax)		(1.01)
	Total Profit/(Loss) (IX + X)		**(3,087.26)**
	Other Comprehensive income(OCI)		
	(i) Items that will not be reclassified to profit or Loss		
	Remeasurement of the defined benefit plans		35.99
	(ii) Income Tax relating to Items that will not be reclasiffied to profit or loss		12.46
	(iii) Items that will be reclassified to profit or Loss		
	Foreign Currency translation reserve (FCTR)		(767.81)
	(iv) Income Tax relating to Items that will be reclasiffied to profit or loss		
	Total comprehensive income		**(3,831.54)**
	Net Profit attributable to:		
	a) Owners of the equity		(2,966.24)
	b) Non- Controlling interest		(121.02)
	Other Comprehensive Income attributable to:		
	a) Owners of the equity		(699.16)
	b) Non- Controlling interest		(45.12)
	Total Comprehensive Income attributable to:		
	a) Owners of the equity		(3,665.40)
	b) Non- Controlling interest		(166.14)
XII	Earnings per equity share	46	
	(1) Basic		(33.74)
	(2) Diluted		(33.74)
	Overview and Significant Accounting Policies	1-5	

The notes referred to above form an integral part of financial statements

As per our report of even date

For & on behalf of the Board of Directors

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

N.K Lodha
Partner
Membership No. 85155

Naveen Jindal
Chairman
DIN: 00001523

Rajeev R. Bhadauria
Wholetime Director
DIN: 00376562

Deepak Sogani
Chief Financial Officer

Jagadish Patrra
Company Secretary

Place: New Delhi
Dated: 20th March, 2018

LODHA & CO. New Delhi Chartered Accountants

JINDAL STEEL & POWER LIMITED

JINDAL STEEL & POWER LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

₹ in crores

Particulars	Year ended 31st March,2016
Operating activities	
Profit before tax	(3,963.71)
Adjustments to reconcile profit before tax to net cash flows	
Depreciation and amortization expense	4,067.88
Impairment of intangible (included under exceptional items)	226.82
Loss/(Gain) on disposal of property, plant & equipment	(3.25)
Gain on Slump sale	(2.67)
Gain on sale of investments	(151.14)
Liability / Provisions no longer required written back	(135.61)
Bad debts written off/ Provision for Doubtful debts & advances	42.17
Unrealised foreign exchange fluctuation/Foreign Currency Monetary Item Translation Differenc	(364.46)
Dividend (Income)	(2.88)
Finance costs (Net)	3,253.56
Operating Profit before Working Capital Changes	**2,966.71**
Working capital adjustments	
Decrease/ (Increase) in trade and other receivables	257.24
Decrease/ (Increase) in inventories	1,589.07
Decrease/ (Increase) in Non Current Financial Assets	(40.19)
Decrease/ (Increase) in Current Financial Assets	(272.78)
Decrease/ (Increase) in Other Non-Current and Current Assets	(452.00)
Increase/ (decrease) in trade and other payables	335.16
Increase/ (decrease) in Other Non-current and current Financial Liabilities	136.22
Increase/ (decrease) in Other Non- current and Current Liabilities	(116.69)
Increase/ (decrease) in Provisions	(53.02)
	4,349.73
Income - tax paid	(16.95)
Net cash flows from (used in) operating activities (A)	**4,332.78**
Investing activities	
Purchase of property, plant & equipment, including CWIP and capital advances	(3,949.95)
Proceeds from sale of property, plant & equipment	97.05
Dividend Received	2.88
Loan/advance given to related party	(133.71)
Interest Received	226.33
Purchase of non current Investments	(10.31)
Proceeds from sale of non current investment	105.19
(Increase) /decrease in current investment (net)	1,503.69
Deposit with original maturity more than three months	(102.76)
Net cash flows from (used in) investing activities (B)	**(2,261.59)**
Financing activities	
Working Capital Borrowings from Banks/other short term loans (net)	1,795.89
Proceeds from long term Borrowings	16,212.63
Repayment of long term borrowings	(17,085.52)
Dividend Paid (including tax thereon)	(0.80)
Interest Paid	(3,594.11)
Net cash flows from (used in) financing activities (C)	**(2,671.91)**
Net increase (decrease) in cash and cash equivalents (A+B+C)	(600.72)
Cash and cash equivalents at the beginning of the year	1,103.18
Cash and cash equivalents on acquisition of subsidiary	-
Cash and cash equivalents at year end	**502.46**

Components of cash and cash equivalent as at	
Cash on hand	1.41
Cheques/Drafts in hand	4.71
Balances with banks:	
On current accounts	254.52
On deposits accounts with original maturity of less than three months	241.79
on others	0.03
Cash and bank balances	502.46
	502.46

As per our report of even date

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

N.K Lodha
Partner
Membership No. 85155

For & on behalf of the Board of Directors

Naveen Jindal
Chairman
DIN: 00001523

Rajeev R. Bhadauria
Wholetime Director
DIN: 00376562

Deepak Sogani
Chief Financial Officer

Jagadish Patra
Company Secretary

Place: New Delhi
Dated: 20th March, 2018

LODHA & CO. New Delhi Chartered Accountants

JINDAL STEEL & POWER LIMITED

Notes

to the Consolidated financial statements as at and for the year ended 31st March, 2016

1. OVERVIEW

Jindal Steel & Power Limited ("the Company" or "the Parent Company") is one of the India's leading steel producers with significant presence in sectors like mining and power generation including through its subsidiaries in India and abroad. It is listed on the National Stock Exchange of India and Bombay Stock Exchange in India. The registered office is situated in the state of Haryana, the corporate office is situated in New Delhi and the manufacturing plants are in the states of Chhattisgarh, Odisha, Jharkhand etc. in India and also in Sultanate of Oman. The Group has global presence through subsidiaries, mainly in Australia, Botswana, Cameroon, China, Dubai, Indonesia, Liberia, Mauritania, Mauritius, Mozambique, Madagascar, Namibia, South Africa, Sultanate of Oman, Tanzania and Zambia. There are several business initiatives running simultaneously across continents.

2. Statement of Compliance:

The consolidated financial statements related to Jindal Steel & Power Limited (hereinafter referred to as the Company or Parent Company) and its subsidiaries (hereinafter collectively referred to as "Group"), its joint ventures and associate Companies.

The Group has adopted Indian Accounting Standards (the 'Ind AS') prescribed under section 133 of the Companies Act, 2013 (the 'Act'), read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, with effect from 1st April 2016 with 1st April 2015 as the date of transition. Accordingly these consolidated financial statements have been prepared in accordance with the said Ind AS & Rules issued thereunder and other recognized accounting practices & policies to the extent applicable and the relevant provisions of the Companies Act, 2013 and listing requirements.

For all periods up to and including the year ended 31st March 2016, the Group had prepared its consolidated financial statements in accordance with accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (referred to as 'Indian GAAP'). The Group has consistently applied the accounting policies used in the preparation of its opening IND AS Balance Sheet at April 1, 2015 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Indian GAAP") which is considered as the previous GAAP, as defined in IND AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as at April 1, 2015 and March 31, 2016 and on the net profit and material adjustments to cash flows, if any, for the year ended March 31, 2016 is disclosed in Note no. 72 to these consolidated financial statements.

The consolidated financial statements provide comparative information in respect of previous year. In addition, the Group presents balance sheet as at the beginning of previous year which is the transition date to Ind AS.

The preparation of the consolidated financial statements in conformity with Indian Accounting Standards (Ind AS) requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures at the date of the consolidated financial statements. The judgments, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years and, if material, their effects are disclosed in the notes to the consolidated financial statements. Actual results could vary from these estimates. (refer Note no. 5 on critical accounting estimates, assumptions and judgments).

The accounting policies are different than the as per the audited financial statements for the year ended 31st March 2016 to the extent the same made in compliance w.r.t. applicable IND AS which was made applicable to the company for the financial year 2016-17 with transition date i.e. 1st April 2015.

These Special Purpose Consolidated financial statements for the year ended March 31, 2016 have been approved and adopted by Board of Directors of the Company in their meeting held on 20th March, 2018

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3. Basis of preparation of Consolidated Financial Statements:

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company i.e. its subsidiaries. It also includes the Group's share of profits, net assets and retained post acquisition reserves of joint ventures and associates that are consolidated using the equity method of consolidation. Control is achieved when the Company is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity. Significant influence, is achived when the Company has power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The results of subsidiaries, joint ventures and associates acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. The Accounting Policies of the parent company, its subsidiaries, joint ventures and associates are largely similar. However, few accounting policies are different as certain subsidiaries / associates located in different countries have to comply with the local regulatory requirements. Wherever necessary, adjustments are made to the financial statements of subsidiaries, joint ventures and associates to bring their accounting policies in line with those used by other members of the Group. The Financial Statements of parent Company and its subsidiaries have been consolidated on line-by-line basis by adding together book value of like items of assets, liabilities, income and expenses after eliminating Intra-group transactions, balances, income and expenses in accordance with Ind AS 110 "Consolidated Financial Statement". Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. The interest of non controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by- acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance. Impact of any insignificant and immaterial Non Controlling Interest is not considered. Foreign Subsidiaries : Items of the assets and liabilities, both monetary and non-monetary, have been translated at the exchange rates prevailing at the end of the year and items of income and expenses have been translated at the average rate prevailing during the year. Resulting exchange differences arising on translation of said items have been transferred to Foreign Currency Translation Reserve Account through Other Comprehensive Income. In case of associates, where Company holds directly or indirectly through subsidiaries 20% or more equity or / and exercises significant influence, investments are accounted for by using equity method in accordance with Ind AS 28 "Investments in Associates and Joint Ventures". Post acquisition, the Company accounts for its share in the change in net assets of the associates (after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share), through its statement of profit and loss, other comprehensive income and through its reserves for the balance. The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries, joint ventures and associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be. However, for associates, Goodwill is not separately recognised but included in the value of investments. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with Parent company's financial statements.

4. Exemptions from retrospective application:

Business Combinations: The Company has opted to apply Ind AS 103 prospectively from the date of transition to Ind AS, i.e. 1st April, 2015 onwards. As such, previous GAAP balances relating to assets and liabilities acquired under business combinations entered into before transition date, have been carried forward without any adjustments.

5. Significant accounting policies:

Significant accounting policies of the financial statements of the Company and its subsidiaries are set out in their respective standalone financial statements. The significant accounting policies to prepare consolidated financial statements are in uniformity with the standalone financial statements of the Company. The accounting policies are different than the as per the audited financial statements for the year ended 31st March 2016 to the extent the same made in compliance w.r.t. applicable IND AS which was made applicable to the company for the financial year 2016-17 with transition date i.e. 1st April 2015. Following are the additional policies specifically considered for preparation of consolidated financial statements:

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a) Business Combinations

The acquisitions of businesses are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard. Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities recognised and contingent assumed. In the case of bargain purchase, resultant gain is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in other equity.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling shareholders proportionate share of the acquiree's identifiable net assets

b) Goodwill

Goodwill arising on an acquisition of business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination.

c) Deferred Tax

The deferred tax is recognised for temporary differences arising after elimination of profits and losses resulting from intragroup transactions.Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and level of future taxable profits together with future tax planning strategies.

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JINDAL STEEL & POWER LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2016

A. Equity Share Capital

₹ in crores

As at 1st April, 2015	Movement during 2015-16	As at 31st March, 2016
91.49	-	91.49

B . Other equity

₹ in crores

Particulars	Reserves and Surplus									Items of other comprehensive income			Equity attributable to shareholders of the Group Total	Non controlling interest	Total
	Sales Tax Subsidy /Capital reserve*	Capital Redemption Reserve	Securities premium account	Debenture Redemption Reserve	Share Option outstanding Account-By subsidiary	Capital Reserve on Consolidation	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Retained earnings	Share of Joint Venture & Associates	Foreign Currency Translation Reserve	Remeasurement of Defined Benefit Obligation/ Plan			
Balance as at 01st April 2015	417.05	72.00	5.03	864.54	23.52	1,155.22	-	1,613.48	32,049.18	-	81.23	-	36,281.25	979.33	37,260.58
Profit & Loss for the year	-	-	-	-	-	-	-	-	(2,966.24)	-	-	-	(2,966.24)	(121.02)	(3,087.26)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	0.73	(721.75)	21.86	(699.16)	(45.12)	(744.28)
Movement during the year	-	-	-	237.54	(6.88)	555.45	(188.23)	5.73	(828.78)	-	(46.07)	-	(271.24)	47.44	(223.80)
Balance as at 31st March, 2016	**417.05**	**72.00**	**5.03**	**1,102.08**	**16.64**	**1,710.67**	**(188.23)**	**1,619.21**	**28,254.16**	**0.73**	**(686.59)**	**21.86**	**32,344.61**	**899.83**	**33,244.44**

* includes capital reserve of ₹ 100.35 crore

As per our report of even date

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

N.K Lodha
Partner
Membership No. 85155

Place: New Delhi
Dated: 20th March, 2018

For & on behalf of the Board of Directors

Naveen Jindal
Chairman
DIN: 00001523

Rajeev R. Bhadauria
Wholetime Director
DIN: 00376562

Deepak Sogani
Chief Financial Officer

Jagadish Patra
Company Secretary

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JINDAL STEEL & POWER LIMITED

6. Property, Plant & Equipment

₹ in crores

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Electrical Fittings	Furniture and Fixtures	Vehicles	Aircraft	Office Equipment	Total
Gross carrying value (Cost/deemed cost)										
As at 01st April, 2015	3,099.35	2,820.21	9,400.34	47,495.37	1,845.96	73.61	161.34	163.30	55.95	65,115.43
Additions	72.10	26.64	150.74	1,601.35	41.49	6.35	31.66	-	7.67	1,938.00
Disposals	0.83	0.94	60.52	22.62	8.97	0.13	22.86	142.00	0.74	259.61
Other adjustments	-	-	17.30	20.72	1.91	0.06	15.59	-	(0.00)	55.58
Translation Reserve	(25.45)	-	9.14	(262.17)	57.00	(1.14)	(12.14)	-	(4.05)	(238.81)
As at 31st March 2016	3,145.17	2,845.91	9,517.00	48,832.65	1,937.39	78.75	173.59	21.30	58.83	66,610.59
Depreciation										
Accumulated Depreciation as at 01.04.2015	-	-	118.33	1,252.44	146.58	0.65	3.82	-	6.68	1,528.50
Charge for the year 2015-16	-	41.82	580.48	3,215.56	96.25	18.74	32.96	70.01	17.86	4,073.68
Disposals	-	-	(0.55)	2.36	-	0.09	(0.09)	68.28	0.55	70.64
Translation Reserve	-	-	(3.01)	(129.40)	4.88	0.34	(2.55)	-	(3.43)	(133.17)
As at 31st March 2016	-	41.82	696.35	4,336.24	247.71	19.64	34.32	1.73	20.56	5,398.37
Net carrying value										
As at 31st March 2016	3,145.17	2,804.09	8,820.66	44,496.41	1,689.68	59.10	139.27	19.57	38.27	61,212.22
Capital Work in Progress										
As at 31st March 2016										10,702.70

JINDAL STEEL & POWER LIMITED ★

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Notes-

a) Statement showing the details of pre operating expenditure (including during trial run) pending allocation/capitalisation forming part of capital work in progress.

₹ in crores

	Particulars	Year ended 31st March, 2016
	Amount brought forward during the year	1,368.98
Add:	Expenditure incurred during the year	
	Raw materials consumed	48.66
	Salaries and wages	166.71
	Contribution to Provident and other funds	9.96
	Staff Welfare Expenses	1.33
	Depreciation and amortisation expenses	54.04
	Consumption of Power and fuel	95.11
	Consumption of stores and spares	33.01
	Other Manufacturing expenses	58.27
	Financial expenses	-
	Foreign exchange fluctuation	15.44
	Insurance	0.47
	Rates and Taxes	0.69
	Rent	4.28
	Repair and Maintenance	0.68
	Miscellaneous expenses	118.85
		1,976.48
	Less:	
	Sale of Products finished goods	61.03
		61.03
	Total	1,915.45
	Less: Capitalized/transferred	150.16
	Net Balance	1,765.29

b. Capital Work in Progress includes ₹1765.29 Crore being Pre- operative expenditure and ₹.563.94 crore being Capital stores.

c. Additions to Property, Plant & Equipment include ₹ 1.50 Crore and addition to Capital work- in- progress include ₹ 0.02 crore being expenditure incurred on Research & Development Activities. Additions to Property, Plant & Equipment includes ₹ 1.52 crore being capitalized from Capital work in progress.

d. The Company has opted to continue the policy to capitalise foreign currency fluctuation on long term borrowings which was followed as per previous I-GAAP as per optional election of Ind AS -101, on all long term foreign currency borrowings outstanding on March 31, 2016. Accordingly additions /adjustments to plant and machinery/ capital work-in-progress includes addition of ₹141.77 Crore on account of foreign exchange fluctuation (Gain)/loss.

e. Borrowing cost incurred during the year and capitalized is ₹ 97.24 crore . Borrowing cost incurred during the year and transferred to capital work-in-progress is ₹ 307.26 crore

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7. Investment property

₹ In crores

Particulars	Freehold Commercial Properties	Total
Gross Block (at cost)		
As at 01.04.2015	33.19	33.19
Additions	-	-
Disposals	-	-
As at 31.03.2016	**33.19**	**33.19**
Depreciation		
As at 01.04.2015	0.25	0.25
Charge for the year	0.53	0.53
Disposals	-	-
As at 31.03.2016	**0.78**	**0.78**
Net Block		
As at 31.03.2016	32.41	32.41

Notes-

(i) Information regarding income and expenditure of Investment property

₹ In crores

Particulars	2015-16
Rental income derived from investment properties	1.63
Direct operating expenses (including repairs and maintenance) generating rental income	0.83
Profit arising from investment properties	0.80

(ii) The Group's investment properties consist of commercial properties in India.

As at 31 March 2016 the fair values of the properties are ₹ 24.21 Crs,. These valuations are based on valuations performed by an accredited independent valuer. Fair valuation is based on income approch method. The fair value is categorised in Level 2 fair value hierarchy.

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8A. Goodwill Arising on Consolidation

₹ In crores

Particulars	Goodwill
Gross Block	
As at 01.04.2015	548.45
Additions	-
Disposals	-
Demergers	-
As at 31.03.2016	548.45

The carrying amount predominantly relates to goodwill that arose on acquisition of various entities and has been tested against the potential of respective cash generating unit (CGU). The calculation uses cash flow forecast based on approved financial budgets/strategic forecast which cover future periods of 5-10 years. Key assumptions for the value in use calculation are those regarding the expected changes to selling prices, demand etc. The outcome of the group's goodwill impairment test as at 31st March 2016 resulted in no impairment of goodwill . The management believes that no reasonably possible change in the key assumption used in value in use calculation would cause the carrying value of CGU to materially exceed its value in use.

8B. Intangible assets

₹ In crores

Particulars	Copyright, patent, other intellectual property rights, services and operating rights	Design & Drawings	Computer software bought out	Mining development rights	Total
Gross carrying value (Cost)					
As at 01st April, 2015	58.44	0.84	44.87	6,137.62	6,241.77
Additions	10.51	-	2.63	157.76	170.90
Disposals/adjustments	-	-	(0.03)	-	(0.03)
Other adjustments	15.90	-	-	(15.90)	-
Translation reserve	-	-	1.10	22.44	23.54
As at 31st March, 2016	84.85	0.84	48.57	6,301.92	6,436.18
Amortisation					
As at 01st April, 2015	3.65	0.52	27.88	2,852.42	2,884.47
Impairment for the year	-	-	-	226.82	226.82
Charge for the year	5.78	0.17	4.89	36.89	47.73
Disposals/adjustments	0.24		0.03	-	0.27
As at 31st March, 2016	9.19	0.69	32.74	3,116.13	3,158.75
Net Carrying Value					
As at 31st March, 2016	75.66	0.15	15.83	3,185.79	3,277.43

8C. Biological assets other than bearer plants

₹ In crores

Particulars	Live stock
Gross carrying value (Cost)	
As at 01st April, 2015	0.49
Additions	-
Disposals	(0.04)
As at 31st March, 2016	**0.45**

JINDAL STEEL & POWER LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st March, 2016

9. Investments(Non current)

	Particulars	Face Value (₹ unless otherwise stated)	As at 31st March,2016 No. of Units	₹ in crores
(A)	Quoted			
	Investment in equity instruments (Fully paid-up unless otherwise stated)			
a)	Equity Shares (at fair value thorugh profit & loss)			
	Hwange Colliery Company Limited		440,680	0.65
	African Energy Resources Limited		100,000	0.10
	Decimal Software Ltd		33,333	0.10
	Hodges Resources Limited		100,000	0.10
	Walkabout Resources Limited		100,000	0.01
	Apollo Minerals Limited		31,419,496	6.21
	Shree Minerals Limited		15,000,000	1.29
	Total Quoted Investment (A)			8.47
(B)	Unquoted			
i)	Investment in equity instruments (Fully paid-up unless otherwise stated)			
a)	Associates (at cost or deemed cost)			
	Fully paid up Equity Shares of Nalwa Steel & Power Limited	10	2,000,000	2.00
	Add/(Less): Share in Profit/(Loss) - Prior years			229.17
	Add/(Less): Share in Profit/(Loss) - Current year			0.25
	Prodisyne (Pty) Limited	R 1	50	1.42
	Add/(Less): Share in Profit/(Loss) - Prior years			-
	Add/(Less): Share in Profit/(Loss) - Current year			-
	Thuthukani Coal (Pty) Limited		1,029	0.00
	Add/(Less): Share in Profit/(Loss) - Prior years			-
	Add/(Less): Share in Profit/(Loss) - Current year			-
				232.84
b)	Others (at fair value thorugh profit & loss)			
	Investment in equity instruments (Fully paid-up unless otherwise stated)			
	Angul Sukinda Railway Limited	10	25,000	0.03
	Angul Sukinda Railway Limited	10	59,975,000	59.98
	Brahamputra Capital and Finance Limited	10	19,200,000	19.20
	Jindal Holdings Limited	10	2,414,000	14.48
	Jindal Petroleum Limited	10	49,400	0.05
	Jindal Rex Exploration Private Limited	10	9,800	0.01
	Stainless Investments Limited	10	1,242,000	6.05
	X-Zone SDN BHD	RM 1	36,250	0.04
	Jindal Infosolutions Limited	10	95,000	0.10
	Port Kembla Coal Terminal		120,000	0.57
	Danta Enterprises Private Limited (₹ 14,470)	10	1,447	0.00

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9. Investments(Non current)

Particulars	Face Value (₹ unless otherwise stated)	As at 31st March,2016	
		No. of Units	₹ in crores
Haridaspur Paradip Railway Company Limited	10	5,000,000	5.00
OPJ Trading Private Limited (₹ 14,470)	10	1,447	0.00
Sahyog Holdings Private limited (formerly known as Sahyog tradecorp Private Limited) (₹ 14,470)	10	1,447	0.00
Virtuous Tradecorp Private Limited (₹ 14,470)	10	1,447	0.00
Opelina Finance & Investment Limited	10	10	0.01
Panacore Investment Limited	$1	3,000	11.11
Golden Age Investment (Pty) Limited	$1	70	1.29
Total Investment in equity instrument (i)			117.91
(ii) Investment In Government Securities (at amortised cost)			
National Saving Certificates			0.12
(Pledged with Government departments)			0.12
Total (ii)			
iii) Other Investments (Licences & Telecom Society)(at fair value thorugh profit & loss)			0.01
Total (iii)			0.01
Total Unquoted Investment (i+ii+iii) (B)			350.89
Total Investment (A+B)			359.35
Less: Provision for impairment			-
Total non-current Investment			359.36

Aggregate book/ market value of quoted investments	8.47
Aggregate book value of unquoted investments	350.89
Aggregate provision for impairment in value of investments	-

Note-15 Current Investments ₹ in crores

Particulars	As at 31st March,2016
Momentum Money Market FundUnit Trust	0.03
Total	**0.03**

NAV of units of mutual funds	0.03

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10. Non-current financial assets- Loans ₹ in crores

Particulars	As at 31st March,2016
Secured, Considered good	
Security deposits	1.22
Unsecured, considered good	
Security deposits	0.18
Loans to related parties	850.00
Other Loans	98.98
	950.38

11. Non-current financial assets- Bank balances ₹ in crores

Particulars	As at 31st March,2016
Bank balances (other than cash & cash equivalents)	
Fixed deposits with original maturity of more than 12 months (Pledged with government department and others ₹ 16.68crore	66.90
Total	66.90

12. Non-current financial assets-others ₹ in crores

Particulars	As at 31st March,2016
Share Application Money	2.78
Security deposits	192.69
Other advance	315.95
Total	511.42

13. Other Non-current assets ₹ in crores

Particulars	As at 31st March,2016
Capital advances	802.73
Advances other than capital advances	
- Advance to vendors/others	78.04
Total	880.77

14. Inventories ₹ in crores

Particulars	As at 31st March,2016
(Valued at lower of cost and net realisable value)	
Raw Materials	
- Inventories	1,241.63
- Goods In Transit	45.98
Work-in-progress	
- Work-in-progress	309.91
Finished Goods *	
- Inventories	811.39
Stores & Spares	
- Inventories	812.92
- Goods In Transit	5.43
Others	
- Scrap	26.84
Total Inventories	3,254.10

* including stock of traded goods

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JINDAL STEEL & POWER LIMITED

16. Trade receivables ₹ In crores

Particulars	As at 31st March,2016
Secured	
-considered good	32.47
Total-Secured	**32.47**
Unsecured	
- Considered good	1,396.71
-Considered doubtful	40.26
- Less: allowance for bad & doubtful debts	(40.26)
Total-Unsecured	**1,396.71**
	1,429.18

17.Cash & cash equivalents ₹ In crores

Particulars	As at 31st March,2016
- Balances with banks	
Current accounts	254.52
Bank deposits with maturity of less than 3 months	241.79
- Cheques/Drafts in hand	4.71
- Cash on hand	1.41
- Others	0.03
Total	**502.46**

18.Other bank balances ₹ In crores

Particulars	As at 31st March,2016
- Fixed deposits *	108.66
- Earmarked - Unpaid dividend accounts	9.26
Total	**117.92**

* Includes ₹ 29.94 crore restricted cash balance held and maintained for debt service coverage in one of the subsidiaries.

19. Current financial assets-loans ₹ In crores

Particulars	As at 31st March,2016
Unsecured, considered good	
- Loans to others	208.66
- Security Deposit	2.86
Total	**211.52**

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JINDAL STEEL & POWER LIMITED *

JINDAL STEEL & POWER LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st March, 201

20. Current financial assets-others

Particulars	₹ In crores As at 31st March,2016
Security deposit	154.82
Interest receivable on short term loans and advances*	572.72
Unbilled Revenue	86.53
Other Receivable	121.00
Advance to others	8.89
Advance to employees	35.45
Total curent financial assets	**979.41**

*Including recoverable from related parties (Refer note 56)

21. Current tax assets / liabilities (net)

Particulars	₹ In crores As at 31st March,2016
Advance income tax	4,114.34
Less: Provision for income tax	(3,545.01)
Net current tax assets	**569.33**

22. Other current assets

Particulars	₹ In crores As at 31st March,2016
Advances other than capital advances	
- Security deposit	53.31
- Advances to related parties	119.40
- Advance to vendors	331.59
- Others	3,626.28
- Others Considered doubtful	48.31
- Provision for doubtful advances	(48.31)
	4,130.58
Others	
- Unamortised Premium on Forward Contract *	1.25
- Prepaid expenses	154.18
-Due from Government Authorities & others	1,381.84
	1,537.27
	5,667.85

* the unamortized foreign exchange premium on outstanding foreign exchange contracts is being carried forward to be charged on the consolidated statement of profit & Loss of susbsequent year.

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JINDAL STEEL & POWER LIMITED

23 Share Capital

₹ in crores

Particulars	As at 31st March,2016
Authorised	
200,00,00,000 Equity shares of ₹ 1 each	200.00
	200.00
Issued, subscribed & fully paid up	
91,49,03,800 Equity Shares of ₹ 1 each	91.49
	91.49

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

Equity Shares	As at 31st March 2016
Shares outstanding at the beginning of the year	914,903,800
Shares outstanding at the end of the year	914,903,800

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

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

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

During five years immediately preceding 31st March, 2016, the parent Company has bought back 19,959,584 equity share.

During the five years immediately preceding 31st March, 2016, the parent Company allotted nill equity shares as fully paid bonus shares by capitalising securities premium account.

In addition the Company allotted 3,629,302 equity shares during the preceding five years under its various Employees Stock Option Schemes / Employee Stock Purchase Scheme.

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

Name of the shareholder	As at 31st March 2016	
	No. of Shares	% holding
Equity Shares of ₹ 1 each fully paid		
Danta Enterprises Private Limited	62,238,816	6.80%
Gagan Infraenergy Limited	49,709,952	5.43%
Opelina Finance and Investment Limited	89,852,393	9.82%
OPJ Trading Private Limited	187,637,898	20.51%
Virtuous Tradecorp Private Limited	64,395,867	7.04%

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

e) **Forfeited shares**
During the year ended 31st March , 2010 , the parent company had cancelled 2,000,000 preference shares of ₹ 100 each (₹ 5 Paid up) which were forfeited earlier. Upon cancellation of such shares, the amount of ₹ 10,000,000 was transferred to General Reserve

f) **Buy Back of Equity shares**
In accordance with Section 77 of the Companies Act,1956 and buy back regulations of SEBI, the Parent Company during the financial year 2013-14 bought back and extinguished 19,959,584 equity shares of ₹ 1 each and created a Capital Redemption Reserve of ₹ 2.00 crore out of surplus in the Statement of Profit and Loss. The premium on buy back of ₹ 498.80 crore had been utilised from Securities Premium Account ₹ 122.96 crore and out of surplus in Statement of Profit and Loss ₹ 375.84 crore.

g) **Employees Stock Purchase Scheme**
In accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 and and pursuant to JSPL ESPS 2013 Scheme, the Compensation Committee of the Board vide its resolution dated 29.08.2013 offered 21,000 equity shares of ₹. 1/-each at apremium of ₹ 295.95 each to Mr Ravi Uppal, Managing Director & Group CEO. Out of total offerred equity shares the parent Company has during the previous year issued 17,816 equity shares of ₹ 1/- each.

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24. Other equity

₹ in crores

Particulars	Reserves and Surplus										Items of other comprehensive income				
	Sales Tax Subsidy /Capital reserve	Capital Redemption Reserve	Securities premium account	Debenture Redemption Reserve	Share Option outstanding Account-By subsidiary	Capital Reserve on Consolidation	Central/ State Subsidy Resserve	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Retained earnings	Share of Joint Venture & Associates	Foreign Currency Translation Reserve	Remeasurement of Defined Benefit Obligation/ Plan	Equity component of financial instruments	Total
Balance as at 01st April 2015	417.05	72.00	5.03	864.54	23.52	1,155.22	-	-	1,613.48	32,049.18	-	81.23	-	-	36,281.25
Profit & Loss for the year										(2,966.24)					(2,966.24)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	0.73	(767.82)	21.86	-	(745.23)
Movement during the year				237.54	(6.88)	555.45 *	-	(188.23)	5.73	(828.78)					(225.17)
Balance as at 31st March, 2016	**417.05**	**72.00**	**5.03**	**1,102.08**	**16.64**	**1,710.67**	**-**	**(188.23)**	**1,619.21**	**28,254.16**	**0.73**	**(686.59)**	**21.86**	**-**	**32,344.61**

Notes-

(i) The Parent Company is required to create Debenture Redemption Reserve out of the profits which is available for the purpose of redemption of debentures.
(ii) Capital Redemption Reserve represents the statutory reserve created when capital is redeemed/during buy back. It is not available for distribution.
(iii) Securities Premium Reserve represents the amount received in excess of par value of securities (equity shares, preference shares and debentures).This reserve is utilised in accordance with provisions of the act.

iv) General reserve includes ₹ 70.75 crore in respect of pertaning to one of the subsidiaries which is not available for distribution.

* Includes ₹ 551.34 crore in respect of bonus shares alloted within group

V) In the parent Company on account of substantial investment made by the Parent Company in setting up/ expansion of industrial unit(s) at Raigarh (Chhattisgarh), including investment in acquisition of capital assets, one of the Parent Company's units is eligible for sales tax exemption under the State Industrial Policy which aims towards industrialization of the State and development of backward areas. The period of exemption is dependent upon and linked to the quantum of investment. Till last year, the Parent Company had, based on legal advise, treated incentive on account of sales tax exemption, being the element of sales tax embedded in the sale price of products sold out of the eligible unit, to be in the nature of subsidy granted by the State Government to Incentivize industrialization in the State and hence as a capital receipt. For the current year, the Parent Company has, due to amendments in Income tax laws with effect from April 1, 2015 and Ind AS applicability with effect from April 1, 2016, credited a sum of ₹ 35.12 crore to sales in the statement of profit and loss. As a result of above change, loss before tax for the current year is lower by ₹ 35.12crore.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st March, 2016

25. Non current Financial liabilities- Borrowings

₹ in crores

	Particulars	As at 31st March,2016
	Secured	
i)	Debentures	
	10,000 9.80% Secured Redeemable Non Convertible Debentures of ₹1,000,000 each	1,000.00
	(Privately placed initially with Life Insurance Corporation of India) 620 9.80% Secured Redeemable Non Convertible Debentures of ₹ 1,000,000 each	62.00
	(Privately placed initially with SBI Life Insurance Company Limited) 5000, 9.80% Secured Redeemable Non Convertible Debentures of ₹ 1,000,000 each	500.00
	(Privately placed initially with Life Insurance Corporation of India)	
		1,562.00
ii)	Term Loan	
	From Banks	29,095.65
	From Other Parties	1,031.02
iii)	Loan repayable on demand	
iv)	External Commercial Borrowings	149.24
v)	Other Loans from Banks (Buyer's Credit)	798.10
		32,636.01
	Less current maturities presented in Note 32	2,240.99
		30,395.02

Debentures
Security

i) Debentures of ₹ 1000 crore placed initially with Life Insurance Corporation of India on private placement basis are redeemable at par in 2 equal annual instalments at the end of 9.5 and 10.5 years from the date of respective allotments i.e. ₹ 100 crore (12.10.2009), ₹ 150 crore (22.10.2009), ₹ 150 crore (24.11.2009), ₹ 150 crore (24.12.2009), ₹ 150 crore (25.01.2010), ₹ 150 crore (19.02.2010) and ₹ 150 crore (26.03.2010). The debentures are secured by way of first charge on pari-passu charge basis over the movable and immovable fixed assets of 810 MW (6x135MW) Captive Power Plant, both present and future, of the company at Angul, Odisha in favour of the Debenture Trustees.

ii) Debentures of ₹ 62 crore placed initially with SBI Life Insurance Company Limited on private placement basis are redeemable at par in 5 equal annual instalments commencing from the end of 8 years from the date of allotment i.e. 29.12.2009. The debentures are secured by way of first charge on pari-passu charge basis over the movable and immovable fixed assets of 810 MW (6x135MW) Captive Power Plant, both present and future, of the company at Angul, Odisha in favour of the Debenture Trustees.

iii) Debentures of ₹ 500 crore placed initially with Life Insurance Corporation of India on private placement basis are redeemable at par in 2 equal annual instalments at the end of 9.5 and 10.5 years from the date of respective allotments i.e. ₹ 100 crore (24.08.2009), ₹ 80 crore (08.09.2009), ₹ 80 crore (08.10.2009), ₹ 80 crore (09.11.2009), ₹ 80 crore (08.12.2009) and ₹ 80 crore (08.01.2010) . The debentures are secured on pari-passu charge basis by way of hypothecation of movable fixed assets of the Company (excluding assets charged on exclusive basis) in favour of the Debenture Trustees. In addition a first pari passu mortgage on a part of immovable property of the pertaining to unit located at Kharsia Road, Raigarh and a part of the immovable property pertaining to unit located at 13 KM Stone, G E Road, Mandir Hasaud, Raipur.

Term Loans from Banks
Security

i) Loans of ₹ 1,369.30 crore repayable in 32 quarterly instalments starting from June, 2014 are secured by first pari passu charge on all movable plant & machinery, spare parts including all insurance policies, project contracts, movable contracts and immovable fixed assets, both present and future under the 1.8 MTPA DRI facility at Angul, Odisha.

ii) Loans of ₹ 1,406.13 crore have been refinanced during the current year/subsequent to the year end and are repayable in 79 quarterly instalments starting from June, 2016 are secured by first pari passu charge on all movable plant & machinery, spare parts including all insurance policies, project contracts, movable contracts and immovable fixed assets, both present and future under the 1.8 MTPA DRI facility at Angul, Odisha.

iii) Loans of ₹ 180.49 crore repayable in 38 quarterly instalments starting from October, 2010 are secured by way of first pari passu charge on all movable and immovable fixed assets both present and future under 2X135 MW Power Plant (Phase - 1) at Dongamauha, Raigarh, Chhattisgarh.

iv) Loans of ₹ 187.40 crore have been refinanced during the current year /subsequent to the year end and are repayable in 79 quarterly instalments starting from June, 2016 are secured by way of first pari passu charge on all movable and immovable fixed assets both present and future under 2X135 MW Power Plant (Phase - 1) at Dongamauha, Raigarh, Chhattisgarh.

v) Loans of ₹ 2,217.88 crore repayable in 28 quarterly instalments starting from December 2013 are secured by first pari passu charge on all movable (including project contracts) and immovable fixed assets, both present and future under 1.5 MTPA Integrated Steel Plant and 1.2 MTPA Plate Mill project at Angul, Odisha.

vi) Loans of ₹ 635.34 crore repayable in 33 quarterly instalments starting from March, 2013 are secured by first pari passu charge on all movable plant & machinery, spare parts, furniture & fixtures including all the project contracts (including insurance policies, rights and titles) and immovable fixed assets, both present and future under 6x135 MW Power Plant Project at Angul, Odisha.

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vii) Loans of ₹ 299.88 crore have been refinanced during the current year and are repayable in 79 quarterly instalments starting from June, 2016 are secured by first pari passu charge on all movable plant & machinery, spare parts, furniture & fixtures including all the project contracts (including insurance policies, rights and titles) and immovable fixed assets, both present and future under 6x135 MW Power Plant Project at Angul, Odisha.

viii) Loan of ₹ 62.25 crore repayable in 16 quarterly instalments starting from March 2013 are secured by subservient charge on fixed assets of the Parent Company.

ix) Loan of ₹ 1,430 crore initially taken from ICICI bank in two tranches on bilateral basis are repayable by way of ballooning instalments in two tranches. An amount of ₹ 500 crore shall be repayable in a period of 5 (five)years in 16 (sixteen) quarterly instalment whereas an amount of ₹ 1000 crore shall be repayable in a period of 10 (Ten) years in 36 (thirty six) quarterly instalment starting from January, 2015. Loan of ₹ 979.67 crore initially taken from HDFC Bank on bilateral basis are repayable in a period of 8 (eight) years in 28 (twenty eight) quarterly installments starting from June, 2015.
Loan of ₹ 1500 crore from State Bank of India are repayable in a period of 8 (eight) years in 32 (Thirty Two) quarterly.
Above loans are secured by way of a first pari passu charge on all the present movable Fixed Assets of units located at Balkudra, Patratu, District Ramgarh, Jharkand; 13 KM Stone, G E Road, Mandir Hasaud, Raipur; 201 to 204, Industrial Park SSD, Punjipatra, Raigarh, Chhattisgarh; Bhikaji Cama Place, New Delhi; Village Pachwad District Satara, Maharashtra and all movable Fixed Assets (present as well as future) located at Kharsia Road, Raigarh, Chhattisgarh. In addition a first ranking mortgage and pari passu charge on immovable property pertaining to unit located at Kharsia Road, Raigarh and a part of the immovable property pertaining to unit located at 13 KM Stone, G E Road, Mandir Hasaud, Raipur.

x) Loans of ₹ 2,074.98 crore repayable in a period of 8 (eight) years in 31 (Thirty One) quarterly installments starting from June, 2017 are secured by way of a first pari passu charge on all the present movable and immovable Fixed Assets of 1.5 MTPA Integrated Steel Plant including 1.2 MTPA Plate Mill project , 1.8 MTPA DRI facility, 810 MW Captive Power Plant at Angul including movable plant & machinery, spares, tools and accessories, furniture, fixtures and the miscellaneous fixed assets of the units at Angul.

xi) Loans of ₹ 485.90 crore have been refinanced subsequent to the year end and are repayable in 79 quarterly instalments starting from June, 2016 are secured by first pari passu charge on all movable plant & machinery, spares, vehicles etc. and immovable fixed assets, both present and future under 2X135 MW Power Plant (Phase - 2) at Dongamauha, Raigarh, Chhattisgarh.

TERM LOANS (in foreign subsidiaries)

xii) Loan of ₹ 40.30 crore bearing rate of interest 10.25% p.a. repayable over a period of 3 years are secured over plant and equipment of Jindal Mining SA (Pty) Ltd.

xiii) Loan of ₹ 17.20 crore bearing rate of interest 8.25% p.a. is secured over the Land/ Office Building at Erf 3780/22 Kildoon Street Bryanston . Jindal Mining SA (Pty) Ltd & Eastern Solid fuel Pty Ltd have provided corporate guarantee for the aforesaid loan.

xiv) Loan of ₹ 4712.95 crore is secured by Commercial mortgage on all the tangible and intangible assets of Shadeed Iron & Steel , future assets of existing operations and the expansion projects other than the inventories and the trade receivables of Existing Operations and the Expansion Project of working capital loans. The loan is repayable in 44 unequal quarterly instalment commencing from June,2015. The loan carry interest rate @ USD LIBOR plus 3% p.a.

xv) Loan of ₹ 928.66 crore from ICICI Bank Limited at interest for (LIBOR + 4% p.a as margin rate), is secured by pledge of 1,090,313,872 equity shares of Wollongong Coal Limited and charged over Debt service Reserve Account. Parent Company has given a shortfall undertaking to fund, if required Debt Service Reserve Account that will be subject to RBI approval.

xvi) Loan of ₹ 994.99 crore from Australia and New Zealand Banking Group Limited, The bank of Tokya-Mitsubishi UFJ, Ltd. and Standard Chartered Bank at interest for (LIBOR + 3.02% p.a as margin rate), is secured by first ranking pledge of 49% share capital of Jindal Mining SA (Pty) Limited held by the company through its step down subsidiaries. The above loan has been further guaranteed by the Parent Company.

xvii) Loan of ₹ 364.83 crore from Axis Bank Limited,at interest for (LIBOR + 4% p.a as margin rate) is secured by way of charge over all movable fixed assetsof JSPL, Mozambique Minerals Limitada, subsidiary of the Company and charge over Debt Service Reserve Account (DSRA). The said facility is secured by way of corporate guarantee of Parent Company subject to RBI approval. JSPL has given a shortfall undertaking to fund, if required , DSRA that will be subject to RBI approval.

xviii) Loan of ₹ 392.70 crore bearing effective rate of interest 5.25% p.a. is secured by first ranking pari-pasu charge on the fixed assets of Wollongong Coal Limited and Wollongong Coal Pty Ltd and pari passu assignment of lease deed of the Mines. A minority shareholder has provided a Corporate Guarantee for the aforesaid loan. The Subsidiary Company has also maintained Debt Service Reserve Account.

xix) Loan of ₹ 2174.83 crore is secured by first ranking pari passu charge over all present and future assets of the Jindal Steel & Power (Australia) Pty Ltd., including all of the Borrower's rights, title and interest in and to the Escrow Account and the Loan Agreement between the JSPAL and Wollongong Coal; all present and future fixed assets of Wollongong Coal limited; and all present and future fixed assets of Wongawilli Coal pty. Ltd other than interest in the land of approximately 130.81 hectares. Further, Corporate Guarantee of Parent Company shall also be provided upon receipt of approval from RBI. Pending approval from RBI, Jindal Steel & Power (Mauritius) Ltd has provided Corporate Guarantee. The loan carries interest rate (LIBOR+3%)

TERM LOANS (in Indian subsidiaries)

xx) Term loans from Banks of ₹ 2429.31 crore bearing interest rate of 11.10% p.a. are secured by way of first pari passu mortgage / charge on all the fixed assets (immovable and movable), both present and future, including charge on inventory, book debts and receivables, all bank accounts and assignment of all rights, titles and interest etc. in accounts of the Units pertaining to third Phase of the Power Plant of 1200MW comprising two units of 600 MW each at Tamnar (Unit 1 and Unit 2)and immovable properties of Company situated at Mouje Pali of Sudhagad Taluka, District Raigad, Maharashtra state.The Loan is further secured(charge to be created) by way of First charges on the receivables of Phase I & II project of the Power Plant of 1000MW comprising four units of 250MW each at Tamnar.

xxi) Term Loan from Banks of ₹ 1500 crore bearing interest rate of 11.05 % p.a. are secured/ to be secured by way of first pari passu mortgage / charge on all the fixed assets (movable and immovable), of the company both present and future with respect to fourth Phase of the Power Plant of 1200MW comprising two units of 600 MW each at Tamnar (Unit 3 and Unit 4).

xxii) Term Loan from Banks of ₹ 1000 crore bearing average interest rate of 10.93 % p.a. are secured/ to be secured by way of first pari passu mortgage / charge on all the fixed assets (movable and immovable), over the cash flows pertaining to fourth Phase of the Power Plant of 1200MW comprising two units of 600 MW each at Tamnar (Unit 3 and Unit 4).

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xxiii) Term Loan from Banks of ₹ 1700 crore bearing rate of interest 11% p.a. are secured/ to be secured by way of first pari passu mortgage / charge on all the fixed assets (movable and Immovable) and receivables of pertaing to fourth Phase of the Power Plant of 1200MW comprising two units of 600 MW each at Tamnar (Unit 3 and Unit 4).The Loan is further secured/ to be secured by way of the First Pari passu Charge on all the Fixed assets of third Phase of the Power Plant of 1200MW comprising two units of 600 MW each at Tamnar (Unit 1 and Unit 2). The loan is further to be secured by way of pari passu charge on assets to be acquired (i.e. captive power assets) out of loan proceeds; obligation to create such charge will arise after the assets are transferred to JPL. In such case bank will release the above created charge in Para (D) hereinabove.

xxiv) Certain charges are in the process of modification and satisfaction in case of Jindal Power Limited (Subsidiary)

xxv) Term loan from bank amounting to ₹ 10.66 crore is secured against Hypothecation of respective vehicle and repayable by way of EMI.

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OTHER LOANS
Security

Term loans from Body Corporate of ₹ 833.69 crore bearing rate of interest 10.80% p.a. are secured by way of first pari passu mortgage / charge on all the fixed assets (immovable and movable), both present and future, including charge on inventory, book debts and receivables, all bank accounts and assignment of all rights, titles and interest etc. in accounts of the Units pertaining to third Phase of the Power Plant of 1200MW comprising two units of 600 MW each at Tamnar (Unit 1 and Unit 2)and immovable properties of company situated at Mouje Pali of Sudhagad Taluka, District Raigad, Maharashtra state.The Loan is further secured(charge to be created) by way of First charges on the receivables of Phase I & II project of the Power Plant of 1000MW comprising four units of 250MW each at Tamnar.

Loans of ₹ 197.33 crore have been refinanced during the current year and are repayable in 79 quarterly instalments starting from June, 2016 are secured by first pari passu charge on all movable plant & machinery, spare parts, furniture & fixtures including all the project contracts (including insurance policies, rights and titles) and immovable fixed assets, both present and future under 6x135 MW Power Plant Project at Angul, Odisha.

External Commerical Borrowings

Loans of ₹ 149.24 crore are repayable in a period of 2 years in 9 (Nine) quarterly installments starting from March, 2016 are secured by way of a first pari passu charge on all the present movable and immovable Fixed Assets of 1.5 MTPA Integrated Steel Plant including 1.2 MTPA Plate Mill project , 1.8 MTPA DRI facility, 810 MW Captive Power Plant at Angul including movable plant & machinery, spares, tools and accessories, furniture, fixtures and the miscellaneous fixed assets of the units at Angul.

Buyer's credit

Loans ₹798.10 crore are secured by hypothecation by way of first pari passu charge over all of the borrower's current assets, including aggregate rupee value of the borrower's cash and bank balances, investments (of which return of principal is guaranteed), advance paid, raw material, finished and semi finished goods, consumable stores, spares stock in progress, bills of lading, airways bills, railways receipt (RR) good receipt (GR) motor transport receipts (MTR) or such other receipts (issued by approved carrier carrying consignment of raw material/consumable spares), irrevocable letter of credit, receivables, book debts and consumable stores (including those stored at borrowers's work at Raigarh and Raipur, Chhatisgarh) and include any money owing to it and payable on demand or within 1 (one) year from the date of computation, in whatsoever currency denominated or as otherwise defined/classified by guidelines of the RBI from time to time in force or any other applicable law and shall exclude those categorised as non current assets as per applicable law both present and future ("the Hypothecated current assets"); and second pari passu charge by way of hypothecation, inter alia, on all the movable fixed assets (except current assets) to the extent of value of ₹ 467.50 crore including but not limited to plant and machinery, machinery spares, tools and accessories of the borrower, wheresoever in the possession of the borrower, both present and future ('The hypothecation movables').

The Parent Company is constantly rolling over the buyer's credit for capex as per the guidelines of RBI. Further , the Company has raised long term loans to provide liquidity for payment of current portion of buyer's credit for capex.

Repayments and Interest rates for the above Secured Debentures,Term Loans ,External Commercial Borrowings and Buyer's Credit are as follows:

₹ crore

Year	2016-17	2017-18	2018-19	2019-20 & Above	Total
Loan	2240.99	3,152.02	2,967.02	23,477.88	31,837.91
Buyers' Credit					798.10
					32,636.01

The interest rate for term loans from banks and others taken by Parent Company (excluding penal interest) varies from 10.55% to 13%
The average rate of interest for buyers credit taken by Parent company is 1.16%p.a.
The interest rate for the above External Commercial Borrowings taken by Parent Company is 2.32%.p.a.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st March, 2016
25. Non current Financial liabilities- Borrowings (cont.)

Unsecured	
Debentures	
3,000 , 9.63% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with HDFC Bank Limited)	300.00
5000 nos. , 10.25% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with Kotak mahindra Bank Limited)	500.00
3,000 , 10.48% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with ICICI Bank Limited)	300.00
10,000 10.25% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with Kotak Mahindra Bank)	1,000.00
7,500 , 9.75% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with HDFC Bank Limited)	750.00
	2,850.00
Term Loan	
- From Banks	2,785.98
Other Loans from Banks	
- Other Loans	65.46
- Liability component of compound financial instrument	-
Other Loans & Advances	
- 8% fully convertible bonds	-
- External Commercial Borrowings	290.23
- Others Loans	391.14
	6,382.81
Less current maturities presented in Note 32	423.93
	5,958.88
	36,353.90

Debentures

i) Debentures of ₹ 300 crore placed initially with HDFC Bank Limited on private placement basis are redeemable at at par at the end of 3 years from the date of allotment i.e. 05.04.2013 (subsequently repaid).

ii) Debentures of ₹ 300 crore placed initially with ICICI Bank Limited on private placement basis are redeemable at par at the end of 5 years from the date of allotment i.e. 11.08.2014.

iii) Debentures of ₹ 1000 crore placed initially with Kotak Mahindra Bank on private placement basis are redeemable at par in 3 instalments, ₹ 330 crore at the end of 3 years , ₹ 330 crore at the end of 4 years and ₹ 340 crore at the end of 5 years from the date of allotment i.e. 18th December, 2014.

iv) Debentures of ₹ 750 crore placed initially with HDFC Bank Limited on private placement basis are redeemable at par at the end of 6 years from the date of allotment i.e. 11.03.2015.

v) a) 1650 nos. Non Convertible debentures of ₹ 10,00,000 each (JPL Series I)(date of allotment 22nd December 2014) (Date of Redemption: on 21st December 2018) at Interest Rate of 1% above SBI Base Rate (Effective Rate is 10.30%) b) 1650 nos. Non Convertible debentures of ₹ 10,00,000 each (JPL Series II)(date of allotment 22nd December 2014) (Date of Redemption: on 20th December 2019) at Interest Rate of 1% above SBI Base Rate (Effective Rate is 10.30%) c) 1700 nos. Non Convertible debentures of ₹ 10,00,000 each (JPL Series III)(date of allotment 22nd December 2014) (Date of Redemption: on 22nd December 2020) at Interest Rate of 1% above SBI Base Rate (Effective Rate is 10.30%)

Term loan from Bank

Loan of ₹ 2785.98 crore carries rate of interest 3.69% p.a.

Other loan from Bank

The average rate of interest for buyers credit taken by Parent company for ₹ 62.95 crore is 1.16% p.a.

The average rate of interest for other loans from banks of ₹ 2.51 crore from others is 0% p.a.

External Commercial Borrowings

1 ECA from Credit Agricole CIB of ₹ 4.92 crore repayable in 14 half yearly instalments starting from October 21, 2010.
2 ECA from Credit Agricole CIB of ₹ 50.50 crore repayable in 16 half yearly instalments starting from May 25, 2010.
3 ECA from Credit Agricole CIB of ₹ 84.82 crore repayable in 20 half yearly instalments starting from March 9, 2011.
4 ECA from Credit Agricole CIB of ₹ 3.77 crore repayable in 14 half yearly instalments starting from June 21, 2010.
5 ECB from ICICI Bank Limited of ₹ 145.56 crore repayable in 15 half yearly instalments starting from March 11, 2011.

The interest rate for the above External Commercial Borrowings taken by Parent company varies from 0.27% to 2.29% p.a.
The average rate of interest for other loans of ₹ 0.66 crore is 0 % p.a.
The average rate of interest for other loans of ₹ 391.14 crore from others is 0 % p.a.

Other Loans from Bank (Buyers' credit)

The Parent Company is constantly rolling over the buyer's credit for capex as per the guidelines of RBI. Further , the Company has raised long term loans to provide liquidity for payment of current portion of buyer's credit for capex.

Repayments and interest rates for the above Unsecured Debenture External Commercial Borrowings and Buyer's Credit from banks

(₹ crore)

Year	2016-17	2017-18	2018-19	2019-20 & Above	Total
Loan	423.93	1047.09	1486.64	3362.22	6,319.89
Buyers' Credit					62.95
					6,382.84

Delay in repayment of borrowings :

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The Parent Company has delayed repayment of certain Term Loans and interest thereon. The details of continuing delay as at March 31, 2016 is as follows:

Particulars	Amount(₹in crore)	Period of Delay (in days)
Delay of principal repayment	231.12	less than 90
Delay of interest payment	200.50	less than 90

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26.Non-current financial liabilities-Trade Payable

₹ crore

Particulars	As at 31st March,2016
Due to other parties	
	-

27.Non-current financial liabilities-Others

₹ crore

Particulars	As at 31st March,2016
Security Deposits	
- From others	93.70
	93.70

28. Provisions- Non-current

₹ crore

Particulars	As at 31st March,2016
Provision for employee benefits	
- Gratuity	28.43
- Other Defined Benefit Plans	11.89
Provision for mines restoration*	155.41
	195.73

* Provision for mining restoration expenses represents estimates made towards the expected expenditure for restoring the mining area and other obligatory expenses as per the mining closure plan

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29. Deferred tax assets/(liabilities)

₹ crore

Particulars	As at 31st March,2016
Deferred tax assets	
- Unabsorbed depreciation & Carried forward tax losses	3,650.17
- Reversal of deffered tax assets on Property, Plant & equipment	-
- Difference between book & tax base related to Investments	9.83
- Disallowance u/s 43B of Income Tax Act, 1961	137.59
- Difference between book & tax base related to Borrowing	0.49
- Provision for doubtful debts & advances	30.65
Total (A)	3,828.73
Deferred tax liabilities	
- Difference between book & tax base related to PPE (including CWIP)	9,980.27
- Difference between book & tax base related to Intangible assets	7.95
- Difference between book & tax base related to Borrowing	15.63
- Difference between book & tax base related to others	441.10
- Deffered TAX on profit of Associates	51.16
Total (B)	10,496.11
Net liability (A-B)	(6,667.38)
Mat credit entitlement	795.01
	(5,872.37)

Reconciliation of Deferred Tax Asset/ (Liabilities):

₹ crore

Particulars	As at 31.03.2016
Opening Balance as on 1st April	(7,533.05)
Deferred tax asset recognised through business combination	
Deferred tax income/ (expense) during the period recognised in profit & loss	878.13
Deferred tax income/ (expense) during the period recognised in Other Comprehensive Income	(12.46)
Closing Balance	**(6,667.38)**

30.Current financial liabilities-Borrowings

₹ crore

	Particulars	As at 31st March,2016
	Secured	
i)	Term Loans	
	From Banks	762.50
ii)	Cash credit from banks *	4,631.37
iii)	Other Loans from Banks (Buyer's Credit)	420.28
		5,814.15
	Unsecured	
	- Term Loans	
	From Banks	1,615.34
	- Other Loans from Banks (Buyer's Credit)	20.60
	- From others	327.86
	- Loans from related parties	
	- Commercial Papers	-
		1,963.80
		7,777.95

* Including working capital demand loans.

Cash Credit from Bank and Buyer's Credit

i) The Working Capital facilities of ₹ 2798.81 crore is secured by hypothecation by way of first pari passu charge over all current assets, including aggregate rupee value of cash and bank balances, investments (of which return of principal is guaranteed), advance paid, raw material, finished and semi finished goods, consumable stores, spares stock in progress, bills of lading, airways bills, railways receipt (RR) goods receipt (GR) motor transport receipts (MTR) or such other receipts (issued by approved carrier carrying consignment of raw material/consumable spares), irrevocable letter of credit, receivables, book debts and consumable stores (including those stored at the Company's works at Raigarh and Raipur, Chhatisgarh) and include any money owing to it and payable on demand or within one year from the date of computation, in whatsoever currency denominated or as otherwise defined/classified by guidelines of the Reserve Bank of India from time to time in force or any other applicable law and shall exclude those categorised as non current assets as per applicable law both present and future and second pari passu charge by way of hypothecation, inter alia, on all the movable fixed assets (except current assets) to the extent of value of ₹ 467.50 crore including but not limited to plant and machinery, machinery spares, tools and accessories, both present and future. The cash Credit is repayable on demand. The average rate of interest for cash credit taken by Parent Company is 10.32% p.a.

ii) The working capital facility of ₹1532.87 crores bearing rate of interest varying from 1.60% to 2.75% + Libor p.a. is secured by commercial mortgage on all of the inventories and trade receivables of the Existing Operations and the Expansion Project of the Shadeed Iron & Steel LLC.

iii) Working Capital facility from Banks of ₹ 299.69 crore are secured (charge to be created) by way of first pari passu mortgage / charge on all the fixed assets (immovable and movable), both present and future of Jindal Power Limited, including charge on inventory, book debts and receivables, all bank accounts and assignment of all rights, titles and interest etc. in accounts of the Units pertaining to third Phase of the Power Plant of 1200MW comprising two units of 600 MW each at Tamnar (Unit 1 and Unit 2) and immovable properties of company situated at Mouje Pali of Sudhagad Taluka, District Raigad, Maharashtra state. The working capital facility carries interest rate of 10.55% p.a.

Other Loans

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Loans of ₹ 620.28 crore are secured by hypothecation by way of first pari passu charge over all current assets, including aggregate rupee value of cash and bank balances, investments (of which return of principal is guaranteed), advance paid, raw material, finished and semi finished goods, consumable stores, spares stock in progress, bills of lading, airways bills, railways receipt (RR) goods receipt (GR) motor transport receipts (MTR) or such other receipts (issued by approved carrier carrying consignment of raw material/consumable spares), irrevocable letter of credit, receivables, book debts and consumable stores (including those stored at Company's works at Raigarh and Raipur, Chhatisgarh) and include any money owing to it and payable on demand or within one year from the date of computation, in whatsoever currency denominated or as otherwise defined/classified by guidelines of the Reserve Bank of india from time to time in force or any other applicable law and shall exclude those categorised as non current assets as per applicable law both present and future and second pari passu charge by way of hypothecation, inter alia, on all the movable fixed assets (except current assets) to the extent of value of Rs. 467.50 crore including but not limited to plant and machinery, machinery spares, tools and accessories of the borrower, wheresoever in the possession of the borrower, both present and future ('The hypothecation movables").

Loans of ₹ 562.50 crore are secured by subservient charge by way of hypothecation of current assets of the Company comprising of book debts and stocks.

Note

The average rate of interest for short term loans is 9.39% p.a.
The average rate of interest for Other Loans from Bank is 1.02% p.a.
The interest rate for the unsecured term loan from others ranges from 5.26% to 8.00% p.a.

The Parent Company has made certain delays in repayment of principal amount and payment of interest. The details of continuing delays as on March 31, 2016 are as follows:

Particulars	Amount (₹ in crore)	Period of Delay
Delay of principal repayment	510.00	Less than 90 days
Delay of interest repayment	8.08	Less than 90 days

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31. Trade payables

₹ in crore

Particulars	As at 31st March,2016
Due to micro & small enterprises	0.11
Acceptances(Other than micro & small enterprises)	863.96
Others	1,453.67
Total Trade payables	**2,317.74**

Notes-

Based on the information so far by the Group, payment to enterprises covered under the micro, small and medium enterprises development act, 2006 (MSMED Act has been made within 45 days and disclosure in accordance with section 22 of the MSMED Act is as under :-

Particulars	As at 31st March,2016
Principal amount remaning unpaid	0.11
Principal amount remaning unpaid above 45 days	-
Interest due on above	-
Total of above	-
Interest paid in terms of section 16	-
Interest due and payable for the period of delay in payment	-
Interest due and remaining unpaid	-
Interest due and payable even in suceeding years	-

32. Current financial liabilities-others

₹ in crore

Particulars	As at 31st March,2016
Current maturities of long term debt (Refer note 25)	2,664.92
Security Deposits	50.36
Interest accrued	519.91
Unpaid dividend*	9.26
Creditors for Capital Expenditure	1,309.65
Advance for sale of power plant	
Book Overdraft	11.86
Forward Contract Payable	2.95
Others	471.43
	5,040.34

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

33. Other current liabilities

₹ in crore

Particulars	As at 31st March,2016
Advance from customers	381.23
Statutory dues	502.33
others	462.37
	1,345.93

34. Provisions- Current

₹ in crore

Particulars	As at 31st March,2016
Provision for employee benefits	
- Leave encashment	64.80
Others*	
- Provision for Wealth Tax	-
Total	64.80

*Movement of provision during the financial year:

₹ in crore

Particulars	Amount
As at 1st April, 2015	0.66
Provision during the year	-
Payment during the year	(0.66)
As at 31st March, 2016	-

35. Revenue from operations

₹ in crore

Particulars	Year ended 31st March,2016
a) Sale of products	
-Finished Goods	21,027.11
-Traded Goods	15.38
-Inter Divisional Transfer	5,346.58
	26,389.07
b) Other operating revenue	
- Transmission Charges	45.44
- Scrap sales	13.64
- Export Incentives	15.59
- Aviation Income	14.80
- Provision / Liability no longer required written back	64.90
- Liquidated Damages Written Back	70.71
- Profit on Sale/Transfer of PPE	3.25
- Sales tax subsidy/captial reserve transferred	45.44
- Others	149.38
	423.15
Less : Inter Divisional Transfer	(5,346.58)

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Total Revenue from operations	**21,465.64**

Notes:-

1 As per the interim order of the CERC the transmission income has been accounted for in respect of 400 KV JPL Tamnar - Raipur DC line (along with 400 KV bays, 2 no. 315 MVA transformers etc.) @ ₹ 45.44 Cr per annum and realised the same from Power Grid Corporation India Limited (PGCIL). During the year, in terms of section 61 & 62 of the Electricity Act 2003 and Regulation 79(1)(a) of the Central Electricity Regulation Commission (Terms & condition of Tariff) Regulations 2009, the CERC vide its order dated 18.12.2015 has reduced & restricted transmission charges payable to the one of the susbsidiaries for the period ended till 31st March 2014 to ₹ 53.53 Cr (against the revenue claimed and accounted for by the company amounting to ₹ 134.68 Cr).One of the susbsidiaries has challenged the order of CERC by filing petition in Appellate tribunal which is pending for the decision. Pending decision, no effect have been given in this regard and the one of the susbsidiaries continue its practice to account for the income as per past based on the interim order of CERC.

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36. Other Income

₹ in crore

Particulars	Year ended 31st March,2016
Dividend Income	2.88
Net gain on sale of current and other than trade investments	47.70
Net gain on sale of investments	103.44
Profit on slump sale*	2.67
Total Other Income	156.69

*Represents profit on sale of crusher plant

37. Cost of materials consumed

₹ in crore

Particulars	Year ended 31st March,2016
Raw Material Consumed	6,076.27
Inter Division Transfer	5,346.58
	11,422.85
Less: Inter Division Transfer	(5,346.58)
Total Cost of Material Consumed *	**6,076.27**

* Including material transferred from capital work in progress(Refer Note 06)

38. Purchases of Stock In Trade

₹ in crore

Particulars	Year ended 31st March,2016
Purchases of Stock In trade	20.58
	20.58

39. Changes in inventories of finished goods, stock -in- trade & work -in- progress and scrap

₹ in crore

Particulars	Year ended 31st March,2016
Opening stock	
Finished Goods	1,484.14
Work-in-progress	149.65
Scrap	30.81
	1,664.60
Closing stock	
Finished Goods	811.39
Work-in-progress	309.91
Scrap	26.84
	1,148.14
Less : Excise duty on account of increase/ (decrease) on stock of finished goods and scrap	(68.27)
Total	**448.19**

40. Employee benefits expenses

₹ in crore

Particulars	Year ended 31st March,2016
Salaries & wages *	843.80
Contribution to provident & other funds	66.18
Employee compensation expenses under Employee Stock Purchase Scheme (refer note 23)	-
Staff welfare expenses	36.59
Total	946.57

*Current year expenditure includes ₹ 6.75 crore incurred on research & development activities.

41. Finance costs (Net)

₹ in crore

Particulars	Year ended 31st March,2016
Interest	
- Debentures and other term-loans	3,047.21
- Exchange Difference to the extent considered as an adjustment to borrowing costs	57.17
- Others	369.84
	3,474.22
Financial Expenses	31.46
	3,505.68
Less: Interest income	
Interest on Intercorporate Deposits	(112.23)
Others	(139.89)
	(252.12)
Net finance cost	3,253.56

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42. Other expenses

₹ in crore

Particulars	Year ended 31st March,2016
Consumption of stores & spares	1,510.56
Consumption of power & fuel	4,368.31
Other manufacturing expenses	973.11
Repair and maintenance	
Plant and machinery	173.99
Building	7.36
Others	129.68
Rent *	36.43
Rate & taxes	54.94
Insurance	55.86
Research and Development Expenses**	0.29
(Profit)/Loss on sale/discard of PPE (net)	-
Donation	57.74
Directors' sitting fee	0.73
Bad debts / Provision for doubtful debts & advances	42.17
Provision for impairment of investment	-
Freight handling and other selling expenses	555.02
Miscellaneous expenses	616.51
Foreign exchange fluctuation (net)	(42.44)
Total	8,540.26

* The Group has paid lease rentals of ₹ 36.43 crore under operating leases (also refer note no. 45)

** Expenditure on research & development activities, incurred during the year, is ₹ 1.82 crore (including capital expenditure of ₹ 1.52crore) excluding salary and wages of ₹ 6.75 crore).

43. Tax expense

₹ in crore

Particulars	Year ended 31st March,2016
Current tax	0.67
	0.67
Deferred tax	(878.13)
	(878.13)
Total	**(877.46)**

Effective tax Reconciliation :

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

₹ in crore

Particulars	Year ended 31st March,2016
Net (Profit)/ loss before taxes	3,963.71
Enacted tax rates for parent company i.e. Jindal Steel & Power Limited under MAT	34.608%
Computed tax Income/(expense)	1,371.76
Increase/(reduction) in taxes on account of:	
Additional allowance for tax purpose (net)	70.60
Expenses not allowed for tax purpose	(31.89)
Income in nature of capital receipt under Income Tax Act	56.10
Capital gain on slump sale / investments	(66.90)
Inter company adjustment/ elimination	(27.82)
Change in rate of tax	-
DTA not created on losses	(37.15)
Past year adjustment	8.80
Income exempt from tax/Others	(194.46)
Ind AS Effect	(271.58)
Income tax expense reported	**877.46**
Effective Income tax rate	**22.15%**

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44. (a). Contingent liabilities and claims against the Company
(to the extent not provided for)

₹ in crore

Particulars	As at 31st March,2016
Contingent Liabilities *	
Guarantees, Undertakings & Letter Of Credit	
Guarantees issued by the Company's Bankers on behalf of the Company	935.87
Guarantees issued by the Associates(s)' Bankers on behalf of the Associate(s)#	-
Letter of credit opened by banks	1,069.74
Corporate guarantees/undertakings issued on behalf of third parties	176.20
Demand:	
Disputed Statutory and Other demands	1,602.45
Income Tax demands where the cases are pending at various stages of appeal with the authorities	1,513.51
Disputed Statutory and Other demands of Associate(s) #	20.37
Bonds executed for machinery imports under EPCG Scheme	2,848.89

*Also Refer Note 50
Represents Group's share in associate i.e 40% in Nalwa Steel & Power Limited

1 In case of one of subsidiaries, as a matter of prudence, as per the past practice till date 31st March 2015, had recognized an expense on account for disputed demand of electricity duty and interest thereon of amounting to ₹280.99 Crores (₹ 47.34 Crores as fees and taxes and ₹ 30.09 Crores as interest others in 2014-15). The said subsidiary Company has challenged the validity of demand made by the Government of Chhattisgarh, in Court, which is pending for decision. Considering the present status of the case, management consideration and opinion of an expert, the company has not recognized electricity duty of ₹47.17 crores and interest thereon of ₹37.97 crores for the year ending 31st March 2016 against disputed demand of electricity duty and disclosed the same under contingent liability.
Management feel that it has good creditable case and confident about favorable decision in respect of above disputed demand.

2 i) Chief electrical inspector has raised the demand amounting Rs. 17.5 Crore of electricity duty on 4*600 MW of one of the subsidiaries as per the tariff applicable for start-up power whereas the Company is paying as the tariff applicable for EHT industrial power consumers provided by CSEB (Rate for start-up is more than EHT power consumer)
ii) Chief electrical inspector is demanding the electricity duty on KVAh whereas the company is paying on KWH basis.

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

(b). Commitments

₹ in crore

Particulars	As at 31st March,2016
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,713.01
Estimated future investment in Joint venture and other companies in term of respective share purchase	801.17

45. Operating lease commitments
One of the foreign subsidiaries has leased two plots from sohar industrial port company, sohar under an operating non cancellable

lease agreement on which the plant and building is constructed. The Future minimum lease payment are as follows:-

Particulars	As at 31st March,2016
Within one year	29.42
Later 1 year but not later than 5 years	117.69
Later than 5 years	186.34
	333.45

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46. Earnings per share

	Particulars	Year ended 31st March,2016
A	Net profit/ (loss) as attributable for equity shareholders (₹ crore)	(3,087.26)
B	Weighted average number of equity shares in calculating basic/diluted EPS (refer note 23)	914,903,800
	Basic Earnings per Share (₹) (A/B)	(33.74)
	Diluted Earnings per Share (₹) (A/B)	(33.74)

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

47. CSR Expenses

₹ crore

Particulars	Year ended 31st March,2016
Amount spent during the year on	
i) Construction/acquisition of any assets	-
ii) On purpose other than (i) above	47.32
Total	47.32

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48 During the current year, the group has not acquired or disposed off any major subsidiary

49. **Operating Segment Reporting**

Information about segments

The Group is engaged primarily into manufacturing of Iron & steel products and power. The Company's primary segments as identified by management are Iron and steel products and Power. Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Chief Operating Officer of the Company (Chief operating decision maker).

Iron and steel products: Segment comprises of manufacturing of Steel products, sponge iron, pellets and castings.

Power: Segment comprises of business of power generation.

Others : it mainly comprises of aviation, real estate and machinery division.

The measurement principles for segment reporting are based on IND AS. Segment's performance is evaluated based on segment revenue and profit or loss from operating activities.

1. Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.
2. Finance income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting.
3. The total assets disclosed for each segment represent assets directly managed by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, intersegment assets and exclude derivative financial assets, deferred tax assets, income tax recoverable and capital work in progess related to ongoing projects.
4. Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities and derivative financial liabilities.
5. Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

₹ crore

S.No.	Particulars		Year ended 31st March,2016
1.	**Segment Revenue**		
	a)	Iron and Steel	16,611.29
	b)	Power	5,720.91
	c)	Others	439.39
	Sub Total (gross) A		22,771.59
	Inter Segment Revenue		
	a)	Iron and Steel	284.52
	b)	Power	2,118.94
	c)	Others	-
	Sub Total (gross) B		2,403.46
	External Segment Revenue		
	a)	Iron and Steel	16,326.77
	b)	Power	3,601.97
	c)	Others	439.39
	Net Segment Revenue (A-B)		20,368.13
2.	Segment Result(profit(+)Loss(-) before tax and interest from each segment)		
	a)	Iron and Steel	576.90
	b)	Power	744.10
	c)	Others	(220.41)
	Sub Total(gross)		1,100.59
	Less:		
	(i) Finance Cost (Net) (Interest, financial expenses and lease rent)		3,253.56
	(ii) Other un-allocable expenses(net of un-allocable income)		1,574.91
	Exceptional items		235.83
	Profit before tax		(3,963.71)
	Less:		
	Current Tax		0.67
	Deferred Tax		(878.13)
	Profit after tax		(3,086.25)
	Share in Profit / (Loss) of associates (Net of tax)		(1.01)
	Total Profit/(Loss)		(3,087.26)
4.	**Depreciation & amortisation expenses**		
	a)	Iron and Steel	2,063.09
	b)	Power	1,677.39
	c)	Others	327.40
	Total		4,067.88
5.	**Non- Cash expenditure other than depreciation**		
	a)	Iron and Steel	42.17
	b)	Power	-
	c)	Others	235.83
	Total		278.00

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₹ crore

S.No.		Particulars	As at 31.03.2016
1.		**Segment Assets**	
	a)	Iron and Steel	45,476.51
	b)	Power	21,979.28
	c)	Others	3,390.65
	d)	Unallocated Assets*#	21,551.95
		Total Assets	92,398.39
		# Investment in (included above):	
		Associates	232.84
		Joint Venture	-
2.		**Segment Liabilities**	
	a)	Iron and Steel	2,864.91
	b)	Power	1,217.96
	c)	Others	128.30
	d)	Unallocated Liabilities	55,751.13
		Total Liabilities	59,962.30
3.		**Addition to Non-Current Assets**	
	a)	Iron and Steel	4,483.36
	b)	Power	713.50
	c)	Others	288.79
	d)	Unallocated	-767.69
		Total	4,717.96

* Unallocated assets include Capital work in progress relating to ongoing projects.

Secondary Segment (Geographical Segment) ₹ crore

Particular	2015-16		
	India	outside India	Total
Segment Revenue	17,124.18	3,243.95	20,368.13
Segment non current assets	63,655.44	12,693.86	76,349.30

50. Pursuant to the judgment dated 25.08.2014 read with Order dated 24.09.2014 passed by the Hon'ble Supreme Court the allocation of the coal blocks, Gare Palma IV/1 (operational); Utkal B-1, Amarkonda Murgadangal, Gare Palma IV/6, Ramchandi,Urtan North and Jitpur (non-operational) to the Company/its joint ventures stand de-allocated.

Prior to the said de-allocation by the Hon'ble Supreme Court, the Government had invoked bank guarantees provided by the Company to the extent of ₹ 153.55 crore with respect to Ramchandi, Amarkonda Murgadangal and Jitpur Coal Blocks. These matters, besides the matters with respect to Urtan North and Gare Palma IV/6 coal blocks, were contested by the Company at various levels and the invocation of the said bank guarantees had been stayed by the respective Hon'ble High Courts. Bank guarantees amounting to ₹ 155.00 crore have been provided by the Company for the above mentioned non- operational coal blocks

Pursuant to the said de-allocation by the Hon'ble Supreme Court and pending the decision/s of the Ministry of Coal on the show cause notices issued by the Ministry of Coal calling upon the Company to show cause as to why the delay in the development of the non-operational coal blocks should not be held as violation of the terms and conditions of the allocation letters of the said coal blocks, the respective Hon'ble High Courts have required the Company to keep the said Bank Guarantees alive pending the decision of the Government (Ministry of Coal) in individual case. The High Courts have restrained the Ministry of Coal to act in furtherance of its subsequent decision/s, to invoke the bank guarantee/s, for a further period of two weeks' time from the date of the communication of such decision/s in order to enable the Company to challenge such decision/s of the Ministry of Coal. In the meantime, the invocation of the bank guarantees has been stayed by the Hon'ble High Courts
The Group believes that it has good case in respect to this matter and no provision is considered necessary.

51 a. Interest in Joint Ventures:
Details of the Group's immaterial joint venture is as follows:

S.No.	Particulars	Country of Incorporation	Percentage of ownership interest as at 31st March, 2016
1	Jindal Synfuels Limited	India	*70
2	Shresht Mining and Metals Private Limited#	India	50
3	Urtan North Mining Company Limited	India	*66.67

* Considered for consolidation as per Ind AS 110
# Carrying amount of investment is ₹ 7.69 crore. Profit & loss and othe comprehensive income are Nil.

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51 b. Interest in Associates:

Details of the Group's immaterial associate is as follows:

S.No.	Particulars	Country of Incorporation	Percentage of ownership interest as at 31st March, 2016
1	Nalwa Steel & Power Limited	India	40%
2	Prodisyne (Pty) Limited	South Africa	50%
3	Thuthukani Coal (Pty) Limited	South Africa	49%

₹ crore

Associates	31st March, 2016
Carrying Amount	232.84
Profit & loss from continuing operation	(1.01)
Post tax profit or loss from discontinuing operation	-
Other Comprehensive income	(0.06)
Total Comprehensive income	(1.07)

51 c. Subsidiaries -Non controlling interest

Financial information of Jindal Power Limited ₹ crore

Particulars	31st March, 2016
Total assets	22,722.36
Total liabilities	9,849.25
Equity attributable to owners of equity	11,980.76
Non controlling interest	443.55
Profit & loss after tax	(776.97)
Cash Flow	(413.60)

52. Financial and Derivative Instruments:

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

₹ crore

Particulars	2015-16
Assets	
Forward Contracts-Export	Nil
Liabilities	
Forward Contracts-Import	353.59 (USD 52.86 Millions)

b) The principal component of monetary foreign currency loans/debts and payable amounting to ₹ 1729.90 crore and receivable amounting to ₹ 79.28 crore are not hedged by derivative instruments.

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

₹ crore

Particulars	Carrying Amount	Fair Value
	As at March 31 , 2016	
Financial Assets at amortised cost		
Investment (Non Current)	0.12	0.12
Fixed deposits with banks (Non Current)	66.90	66.90
Cash and bank balances	620.38	620.38
Trade and other receivables	1,429.18	1,429.18
Loans (non current)	950.38	950.38
Loans (current)	211.55	211.55
Other financial assets (Non Current)	511.42	511.42
Other financial assets (Current)	979.41	979.41
Financial Asset at fair value through profit or loss :		
Investment (Non Current)	126.39	126.39
Investment(Current)	0.03	0.03
Financial Liabilities at amortised cost		
Borrowings (Non Current)	36,353.90	36,353.90
Borrowings (Current)	7,777.95	7,777.95
Trade & other payables	2,317.74	2,317.74
Other financial liabilities (Non current)	93.70	93.70
Other financial liabilities (Current)	5,037.38	5,037.38
Financial Liabilities at fair value through profit or loss :		
Other financial liabilities- Derivatives	2.95	2.95

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

Level 1: Quoted prices/NAV (unadjusted) in active markets for identical assets and liabilities at the measurement date.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

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

Particulars	31.03.2016 Carrying Value	Levels	Valuation Techniques and Key Inputs
Financial Assets at amortised cost :			
Other financial assets	511.42	level 3	Discounted cash flow method
Investment	0.12	level 3	Discounted cash flow method
Loans	1,161.93	level 3	Discounted cash flow method
Financial Asset at fair value through profit or loss :			
Investment (Non Current)	126.39	level 3	Net Asset Value
Investment(Current)	-	level 1	Quoted market price
Financial Liabilities at amortised cost :			
Borrowings (Non Current)	36,353.90	level 3	Discounted cash flow method
Borrowings (Current)	7,777.95	level 3	Discounted cash flow method
Other financial liabilities (Non-Current)	93.70	level 3	Discounted cash flow method
Financial Liabilities at Fair value through profit or loss :			
Other financial liabilities- Derivatives	2.95	level 2	Forward foreign currency exchange rates, Interest Rates to discount future cash flow

During the year ended March 31, 2016, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

Fair valuation techniques
The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
The following methods and assumptions were used to estimate the fair values:
1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance of the Company is considered to be insignificant in valuation.
3) The fair values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity, and market parameters such as interest rates, foreign exchange rates, and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement, and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.
4) IND AS 101 allow Company to fair value property, plant and machinery on transition to IND AS, the Company has fair valued property, plant and equipment, and the fair valuation is based on replacement cost approach.

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54. FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's financial assets comprise investments, loan and other receivables, trade and other receivables, cash, and deposits that arise directly from its operations.

The Company's activities are exposed to **market risk, credit risk and liquidity risk**. In order to minimise adverse effects on the financial performance of the Company, derivative financial instruments such as forward contracts are entered into to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading and speculative purpose.

I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at 31st March 2016. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.
The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. The Company uses derivative financial instruments such as foreign exchange forward contracts of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, the Company performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio .

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

₹ crore

Particulars	31st March,2016
Variable rate borrowings*	36,691.42
Fixed rate borrowings*	10,105.35
Total borrowings	**46,796.77**

*Inclusive of current maturity

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

₹ crore

Particulars	Increase/ Decrease in Basis Points	Impact on Profit before Tax
	31-Mar-16	31-Mar-16
INR	+50	(115.57)
	- 50	115.57
EURO	+25	(0.36)
	-25	0.36
USD	+25	(33.06)
	-25	33.06
JPY	+25	(0.36)
	-25	0.36
ZAR	+25	(0.16)
	-25	0.16

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

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business primarily in Indian Rupees and US dollars. The Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilites are denominated in similar foreign currencies. For the remaining expore to foreign exchange risk the Company adopts a policy of selective hedging based on risk perception of the management. Foreign exchange contracts are carried at fair value.
The Company hedges its exposure to fluctuations by using foreign currency forwards contracts on the basis of risk perception of the management.

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

₹ crore

INR pertaining to exposure in specified currencies	31.03.2016
USD	(140.00)
Euro	(15.11)
GBP	(0.13)
Others	(32.12)
Total	(187.36)

Foreign currency sensitivity

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

Particulars	2015-16	
	5 % increase	5 % decrease
USD	(7.00)	7.00
Euro	(0.76)	0.76
GBP	(0.01)	0.01

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Others	(1.61)	1.61

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

(c) Commodity Price Risk

Commodity Price Risk is the risk that future cash flow of the Company will fluctuate on account of changes in market price of key raw materials.
The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company enters into contracts for procurement of materials, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

II. Credit risk

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

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

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

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

Ageing	0-6 months	6-12 months	more than 12 months	Total
As at 31-03-2016				
Gross Carrying Amount	632.05	77.75	106.00	815.79
Expected Credit Loss (in ₹)			(40.26)	(40.26)
Carrying Amount (net of impairment)	**632.05**	**77.75**	**65.74**	**775.53**

III. Liquidity Risk

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

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

₹ crore

As at 31-03-2016	Carrying Amount	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings (inclusive of current maturity)	46,796.77	10,442.87	9,513.82	26,840.08	46,796.77
Trade payables	2,317.74	2,317.74	-	-	2,317.74
Other financial liabilities	2,469.12	2,375.42	-	93.70	2,469.12
Total	51,583.63	15,136.03	9,513.82	26,933.78	51,583.63

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

	Fixed	Floating
Particulars	**31.03.2016**	**31.03.2016**
Short term borrowings	797.95	141.31
Long term borrowings	-	-
	797.95	**141.31**

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55. Capital Risk Management

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

The primary objective of the Company's Capital Management is to maximize the shareholder's value by maintaining an efficient capital structure and healthy ratios and safeguard Company's ability to continue as a going concern.The Company also works towards maintaining optimal capital structure to reduce the cost of captial. No changes were made in the objectives,policies, processes during the year ended 31st March, 2016.

₹ crore

Particulars	As at 31st March 2016
Debt	46,796.77
Cash & bank balances	(620.38)
Net Debt	46,176.39
Total Capital	32,436.10
Total Capital and Net Debt	78,612.49
Gearing Ratio	59%

Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities (excluding derivatives and financial guarantee contracts) as described in notes 23 and 27.

(ii) Equity includes all capital and reserves of the Company that are managed as captial.

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56. Related Party disclosures as per Ind AS 24

A. List of Related Parties and Relationships

a) Associates

1 Nalwa Steel & Power Limited
2 Prodisyne (Pty) Limited
3 Thuthukani Coal (Pty) Limited
4 Everbest Steel & Mining Holdings Limited (formerly known as Everbest Infrastructure & Development Limited) (ceased to exist as associate w.ef 03.12.2015)

b) Joint Ventures

1 Jindal Synfuels Limited
2 Shresht Mining and Metals Private Limited
3 Urtan North Mining Private Limited

c) Other Significant Influences

1 OPJ Trading Private Limited

d) Key Managerial Person

1 Shri Naveen Jindal (Chairman)
2 Shri Ravi Uppal (Managing Director & Group CEO)
3 Shri D.K. Saraogi (Wholetime Director)
4 Shri Rajeev Bhadauria (Wholetime Director)
5 Shri K Rajagopal (Group Chief Financial Officer till 21 Nov 2016)
6 Shri Jagdish Patra (Company Secretary till 11 Jul 2016)

e) Enterprises over which Key Management Personnel and their relatives excercise significant influence and with whom transactions have taken place during the year

1 Jindal Stainless Ltd
2 Jindal Industries Limited
3 Bir Plantation Limited
4 India Flysafe Aviation Limited
5 Minerals Management Service (India) Pvt. Ltd.
6 Jindal Saw Limited
7 JSW Steel Limited
8 Rohit Tower Building Limited
9 JSW Energy Limited
10 JSW Projects Limited
11 JSW Steel Coated Product Ltd.
12 JSW Severfield Structures Ltd.
13 Jindal Realty Private Limited

f) Post-Employment Benefit entity

1 Jindal Steel & Power Ltd EPF Trust

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56 B. Transaction with Related Parties

₹ crore

Description	Joint ventures	Associates	Key management Personnel	Enterprises controlled by key management personnel & their relatives
Purchase of goods/services(incl capital goods)*		277.58	-	234.81
Sale of goods/ scrap (incl capital goods)*		50.96	-	421.67
Rendering of services		-	-	1.60
Investment in equity shares/preference shares		-	-	-
Adv Against Share/ Debenture Application Money		-	-	-
Investment in debenture	-	-	-	-
Other advances given/(taken)	-	-	6.96	-
Loan given/(taken)		-	-	-
Other advances repaid back		-	2.94	-
Excess remuneration recovered				
Allotment of equity shares				
Rent & other expenses paid		-	-	1.78
Interest income/ (expenses/net)		-	0.32	98.44
Security deposit received/(given)		-	-	-
Remuneration		-	25.46	-
Coraporate guarantee given/taken/extinguished)#**		-31.00	-	-
Inter corporate deposit (given)**		-	-	468.50
Inter coporate deposit repaid/adjusted		-	-	293.90
Advanced received for sale of fixed assets		-	-	-

₹ crore

Particulars	Joint ventures	Associates	Key management Personnel	Enterprises controlled by key management personnel & their relatives
	2015-16	2015-16	2015-16	2015-16
Outstanding balance at the year end				
Inter Corporate deposit (ICD) taken			-	850.00
Guarantee outstanding **	16.50		-	0.25
Guarantee outstanding(given by others on behalf of the company)		(31.00)	-	-
Advance/security deposit paid			-	8.50
Loans & advance(including interest)			4.02	69.41
Advance for Sale of Power Plant			-	-
Security deposit receipt			-	-
Advanced against share application	0.18		-	-
Investment in equity shares/debentures		2.00	-	-
Other Advance received			-	-
Outstanding liabilities			-	-
Salary payable			0.33	-
Interest receivable				235.80
Debtors- dr balance		3.03	-	28.92
Debtors- cr balance		0.04	-	3.88
Creditors Dr balance			-	4.51
Creditors cr balance		57.81	-	23.08

*Figures are inculusive of taxes & other expenses

** includes foreign currency gain &loss

amount of guarantee given is restricted to actual uitlisation of limits including interest.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st March, 2016

Material transactions with Associates

₹ crore

Name of the related party	Year	Nalwa steel power limited
Relationship		**Associate**
Purchase of goods/services*	2015-16	268.65
Sales of goods/scrap (inc capital goods)*	2015-16	46.30
Rendering of services	2015-16	-
Investment in equity shares/preferance shares	2015-16	-
ADV AGAINST SHARE/ DEBENTURE APPLICATION MONEY	2015-16	-
Investment in debentures	2015-16	-
Other advances given /(taken)	2015-16	-
Loan given/(Taken)	2015-16	-
Rent & other expenses	2015-16	-
Interest income	2015-16	-
Interest expenses	2015-16	-
Security deposit received/(given)	2015-16	-
Coroporate guarantee given (taken) (extinguished)**	2015-16	(31.00)
Inter corporate deposit given**	2015-16	-
Inter corporate deposit repaid/adjusted	2015-16	-
Advance received for sale of fixed assets	2015-16	-

*figures are inclusive of taxes & other expenses reimbursed

** includes foreign currency gain or loss

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Material transactions with Enterprises controlled by Key management Personnel

₹ crore

Name Of Related Party	Year	JSW Steel Ltd. Mumbai/ Bellary	JSW Energy Limited	Jindal Saw Limited	Jindal Stainless Ltd. Hissar,	Jindal Reality Pvt. Ltd.	Minerals Management Service (India) Pvt. Ltd.	Bir Plantation Pvt. Ltd.	Rohit Towers Pvt. Ltd.	Jindal Industries Ltd.	JSW Steel Coated Product Ltd.	JSW Projects Ltd.	JSW Severfield Structures Ltd.	India Flysafe Aviation Limited
Purchase of Goods/Services(Inc Capital goods)*	2015-16	17.41	-	9.59	109.49	24.16	-	-	-	1.72	3.89	-	-	68.55
Sales Of Goods/ scrap (Inc Capital goods)*	2015-16	137.46	-	275.76	7.73	0.21	-	-	-	-	0.47	0.04	-	-
Rendering of services	2015-16	1.39	0.18	-	0.03	-	-	-	-	-	-	-	-	-
Other advances given/(taken)	2015-16	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent and Other Expense	2015-16	-	-	0.52	0.70	-	-	0.11	0.45	-	-	-	-	-
Interest income	2015-16	-	-	-	-	98.44	-	-	-	-	-	-	-	-
Inter corporate deposits repaid/ adjusted	2015-16	-	-	-	-	293.90	-	-	-	-	-	-	-	-

*figures are inclusive of taxes & other expenses reimbursed

Compensation to Key Management Personnels for each of the following categories

₹ crore

Particulars	Year ended March 31, 2016
Short term benefits	23.51
Post employment benefits	
- Defined Contribution Plan	1.95
Share based payments	-
Total	**25.47**

Jindal Steel & Power Ltd EPF Trust

₹ crore

Particulars	Year ended March 31, 2016
Provident fund contribution	20.28

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57. **Impairment Review**

Assets are tested for impairment whenever there are any internal or external indicators of impairment.
Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment.
The impairment assessment is based on higher of value in use and value from sale calculations.

During the year, the testing did not result in any impairment in the carrying amount of goodwill and other assets.
The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid term market conditions.

Key assumptions used in value-in-use calculations:
- Operating margins (Earnings before interest and taxes)
- Discount Rate
- Growth Rates
- Capital expenditures

Operating margins: Operating margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in a hyper competitive scenario. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; at the same time, factors like higher churn, increased cost of operations may impact the margins negatively.
Discount rate: Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs.
Growth rates: The growth rates used are in line with the long term average growth rates of the respective industry and country in which the Company operates and are consistent with the forecasts included in the industry reports.
Capital expenditures: The cash flow forecasts of capital expenditure are based on past experience coupled with additionalcapital expenditure required.

58. The Hon'ble Supreme Court of India by its Order dated 24 September 2014 has cancelled number of coal blocks allocated to various entities which include nine block consisting of three operational and six under development allotted to the company and its group companies by Ministry of Coal, Government of India and directed to pay an additional levy of ₹ 295 per MT on gross coal extracted from the operational mines from 1993 to till date. The Group filed review petition before the Hon'ble Supreme Court of India which has been rejected. The Group is in the process of filing curative petition before the Hon'ble Supreme Court of India.
i) The Group has paid under protest such levy on coal extracted during the period from 1993 to 31 March 2015 of ₹ 3,267.43 crore (including ₹ 1,185.20 crore by a subsidiary). The management based on legal opinion has accounted for₹ 1,911.64 crore (including ₹1,103.87 crore by a subsidiary) computed on net extraction (run of mines less shale, rejects and ungraded middling) of coal by the Group. The said amount was shown as exceptional item in the year 2014-15 and balance amount of ₹1,355.79 crore has been shown as recoverable from the Government Authority since the entire amount of additional levy has been paid under protest.

ii) The Group Companies having net book value of investment made in mining assets including land, infrastructure and clearance etc. of ₹ 608.58 crore (including ₹ 183.58 crore of a subsidiary). The difference, if any, between book value of investment and compensation to be determined, shall be accounted for when the final compensation is received pursuant to directive vide letter dated 26 December, 2014 given by the Ministry of Coal on such mines.
iii) In case of a subsidiary post cancellation of mines, the subsidiary had won the Coal mines bids on 19.02.2015 & 07.03.2015, however, the allocation of the said coal mines were rejected by the Nominated Authority appointed by Government of India, consequence whereof the subsidiary Company is not operating any coal blocks as on date. On the basis of Opinion of an expert, the subsidiary has challenged the act of rejection of the Government, of the winning bids before the Hon'ble High Court of Delhi, and the subsidiary is confident for favourable judgement in its favour. The Management is confident about – (a) availability of sufficient coal so as it can run its power generation plants, and (b) earning sufficient margins. Accordingly, the management does not anticipate need for any impairment provision in the carrying value of the assets.

59. During the current year, there is a gain of Rs. 2.67 crore arising on account of slump sale of crushing plant division for Rs. 121 crore. The amount receivable against the same of Rs. 121 crore is shown under other receivable.

60. The Company has filed legal suits /notices or in the process of filing legal case /sending legal notices / making efforts for recovery of debit balances of ₹ ₹ 630.99 crore plus interest wherever applicable, which are being carried as long term /short term advances, trade receivables and other recoverable. Pending outcome of legal proceedings/Company 's efforts for recovery and based on legal advise in certain cases , the Company has considered aforesaid amounts as fully recoverable. Hence, no provision has been made in respect of these balances.

61. Subject to customary regulatory approvals and other conditions precedent(s), the Board of Directors at its meeting held on 3rd May,2016 has approved the agreement for divestment of 1,000 MW Power unit of Jindal Power Limited (a subsidiary of the Parent Company (JPL)), located in Chhattisgarh into a separate purpose vehicle (SPV), for the purpose of transfering the same to JSW Energy Limited through sale of the entire share capital and other securities of the aforesaid entity in terms of the share purchase agreement for an enterprise value of ₹ 6,500 Crores plus the value of Net Current Assets as on the Closing Date. The valuation may vary based upon the achievement of PPA's before the closing date 30th June, 2018 and as prescribed in the Agreement subject to minimum of ₹ 4,000 crore plus the value of Net Current Assets as on the Closing Date.
In order to streamline cash flows of the group and create SPV amenable for, the Board of Directors of the Company and JPL have in principle approved the restructuring involving parent Company and JPL and formed a committee of directors ("Restructuring Committee"), to explore and evaluate various restructuring options available including a scheme of arrangement. The restructuring will entail that 1000 MW Power Plant owned by JPL is hived off into an separate purpose vehicle, being subsidiary of the parent company, creation of other SPV amenable for monetization by way of divestments as well as achieve better synergy across the parent company and its subsidiaries, and to ensure that the businesses of these entities are operated in the most efficient and cost effective manner, including by pooling of technical, distribution and marketing skills, creating optimal utilisation of resources, better administration and cost reduction. Upon completion of evaluation of the possible arrangement options, the Restructuring Committee is to submit its recommendations to the Board of Directors and to such other committee(s) of the Board, including the Audit Committee, shareholders as may be required by applicable laws.

62 Balances of certain advances, creditors and receivables are in process of confirmation/reconciliation.

63. i) In accordance with the Companies Act 2013, the Group had, during the previous year revised useful life of its fixed assets to comply with the useful life as mentioned in Schedule II of the said Act. As per the transitional provisions the Group adjusted during previous year ₹ 134.34 crore (net of tax of ₹ 65.93 crore) from the opening balance of retained earnings. Had the Group continue to follow earlier useful life the depreciation expense for the previous year would have been lower by ₹ 79.62 crore.

ii) During the current year, the parent company and an overseas subsidiary have upward revised the useful life of certain class of fixed assets based on internal assessment and technical estimate. The parent company and overseas subsidiary believe that the useful life best represent the period over which parent and overseas subsidiary expect to use these assets. The above change has taken place with effect from 1st April, 2015 and accordingly the depreciation expense for the year ended 31st March, 2016 is lower by ₹ 643.14 crore. However, in view of applicability of Ind AS, the stated impact get included in note (iv) herein below.

iii) One of the Indian subsidiaries has revised depreciation as per provision of paragraph 4 of part C of Schedule II of the Companies Act, 2013 on its all assets which is mandatory from
iv)The company and one of it's subsdiaries have considerd fair value of Property plant and equipment (fair value as assessed by independant valuer) i.e. Land, Building and plant &

64. Hon'ble Supreme Court of India, in its recent judgement has upheld constitutional validity of entry tax levied by the different State Governments and referred the same to divisional/ regular benches for testing and determination of validity of state legislation vis a vis the Article 304 (a) of the constitution and left open levy of entry tax on goods entering the landmass of India from another country to be determined in appropriate proceedings. Full provision has been made in this regard except in case of import of goods from outside India, where part amount (₹ 49.37 Crore) of entry tax has been deposited (shown under loans and advances) based on the Order of High Court in other assessee's case and as advised by an expert (against amount calculated till 31.03.2016 of ₹ 101.04 Crore). As advised, no material provision is required to be made on this account .

65 Consolidated financial statements include results of a subsidiary which is based on unaudited financial statements having revenue of Rs. 37.20 crore during the year ended 31st March, 2016 and assets of Rs. 4,335.90 crore as at 31st March,2016

66. Exceptional items in consolidated financial statements for the year comprise of provision for impairment loss on fixed assets of ₹ 226.82 crore in one of the overseas subsidiaries as on 31st March 2016 and foreign exchange variation of ₹ 9.01 crore attributable to the sharp depreciation of Australian dollar in the current year

67. Cost of captive sales (reduced from total expenditure) includes interest on internal manufactured goods consumed in captal projects which is not separately ascertainable.

68. Till previous year the foreign exchange difference of the inter-group long term foreign currency loans transction of overseas business to the extent of financing requirements other than acquiring the fixed assets, being not material were expensed off. The Group has during the current year w.e.f from 1st April 2015 decided to amortised such differences, if material over the remaining period of the loan. The said changes has resulted in to lower charge of foreign exchange differences for the year ended 31st March 2016 by ₹ 188.23 crore which is included under Foreign Currency Monetary items translation Difference Account.

69. **IN RESEPECT OF CERTAIN PROJECTS OF SUBSIDIARY COMPANIES :**
The 1,800 MW Kamala Hydroelectric Power Project (Kamala Project) is run of the river project located on Kamala River in the state of Arunachal Pradesh. Detailed Project Report (DPR) of Kamala Project has already been with the Central Electricity Authority (CEA) and has also accepted by CEA for detailed examination, pending approval. Land survey is also in progress. Government of Arunachal Pradesh has granted extension of time up to 31st March 2015 for commencement of Kamala project; the management is confident of getting further extension of time in this regard.

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The 3097 MW Etalin Hydroelectric Power Project (Etalin Projet) is a run of the river project located on Dri River and Tangon River in the state of Arunachal Pradesh. Substantial progress has been achieved with respect to the land acquisition, environment and forest clearance and other statutory clearances. Further The Central Electricity Authority (CEA) has also issued concurrence for implementation of the project subject to fulfillment of certain conditions. As assessed by the management, the project has achieved some milestones and is likely to be developed as per schedule.

The 680 MW Attunli Hydroelectric Power Project is a run of the river project located on Tangon River in the state of Arunachal Pradesh. Survey and investigation works for preparation of Detailed Project Report (DPR) has been completed and draft DPR is under consideration.

In the opinion of the management, no impairment is required to be provided for in respect of assets of the above stated Hydro Power Projects.

70. **Information related to Consolidated financial**

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

71. These Special Purpose Consolidated financial statements for the year ended March 31, 2016 have been compiled based on the audited Indian GAAP Consolidated Financial Statements for the financial year ended 31st March 2016 audited by predecessor auditor and based on conversion of audited Indian GAAP Consolidated Financial Statements for the financial year ended 31st March 2016 from Indian GAAP to Ind AS carried out by the management and have been prepared for the purpose of inclusion in the Placement Documents prepared in connection to the proposed offerings of the equity shares pursuant to the Qualified Institutional Placement (QIP) of the Company and will be submitted/ filed with the stock exchanges where the Company's equity shares are listed and the Securities Exchange Board of India (SEBI). Accordingly previous year figures have not been disclosed. Figures less than Rs. 50000 have been shown as absolute number.

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72. Transition to Ind AS

Financial Statements, for the year ended 31st March 2017 are the first, the Company has prepared in accordance with Ind AS. These Special purpose financial statements (read with note no. 71) for the year ended 31st March 2016 have been extracted from audited financial statement for the year ended 31st March 2017.

Accordingly, the Company has prepared its financial statement to comply with the Ind AS for the year ending 31st March, 2016, as described in note no. 1. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015, the date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

Exemptions Applied

Ind AS 101 First time adoption of Indian Accounting Standards allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS, effective for 1st April 2015 opening balance sheet.The Company has applied the exemptions which have been explained below:

1 *Deemed Cost of Property,Plant & Equipment*
The Company has elected to measure items of Property, Plant & Equipment (PPE) at the date of transition to IND AS at their fair value. The Company has used the fair value of PPE, which is considered as deemed cost on transition. Fair valuations are assessed as on 1st April, 2015.

2 *Fair value of financial assets and liabilities*
The Company has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transactions cost less allowances for impairment, if any. Under IND AS, these financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost, less allowance for impairment, if any. For transactions entered into on or after the date of transition to IND AS, the requirement of initial recognition at fair value is applied prospectively.

3 *Long Term Foreign Currency Monetary items*
The Company has opted to continue the policy adopted for accounting for exchange differences arising from translation of long term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first IND AS financial reporting period as per the previous GAAP, accordingly the Company has continued the capitalisation of foreign exchange gain/loss on long term loan outstanding on the date of transition i.e April 1st 2015 and such capitalised amount is amortised over the remaining useful life of the asset.

4 *Investments in Subsidiaries, joint ventures and associates*
The Company has elected to apply previous GAAP carrying amount of its investment in equity shares in subsidiaries, associates and joint ventures as deeemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries, associates and joint ventures are recognised at amortized cost.

5 *Leases*
The Company has applied the transition provision in Appendix C of IND AS 17, "Determining whether an arrangement contains a Lease", and has assessed all arrangement as at the date of transition.

Estimates

The estimates at 1st April, 2015 and at 31st March, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differnces if any, in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Impairment of financial assets based on expected credit loss method.
- Investment in debt instruments carried at Amortized Cost.
- Investment in equity instruments carried at Fair value through profit or loss

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at the transition date and as of 31st March, 2016.

Exceptions to retrospective application of Ind AS

1 *Classification and measurement of financial assets*
The Company has classified the financial assets in accordance with IndAS 109 on the basis of facts and circumstances that exists at the date of transition to Ind AS.

2 *Derecognistion of financial assets & financial liabilities*
The Company has elected to apply the derecognition requirements for financial assets & financial liabilities in accordance with Ind AS 109 prospectively for transactions occuring on or after the date of transition to Ind AS.

Impact of transition to IND AS

The following is a summary of the effects of the differences between IND AS and Indian GAAP on the Company's total equity shareholders' funds and profit and loss for the financial period for the periods previously reported under Indian GAAP following the date of transition to IND AS.

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72 a. RECONCILIATION OF BALANCE SHEET AS AT 01.04.2015, DATE OF TRANSITION TO IND AS

₹ crore

		Particulars	IGAAP As at 31.03.2015	Adjustments	Ind AS As at 01.04.2015
		ASSETS			
(1)		**Non - current assets**			
	(a)	Property, plant and equipment	42,737.61	20,849.32	63,586.93
	(b)	Capital work - in - progress	7,395.73	-	7,395.73
	(c)	Investment property		32.94	32.94
	(d)	Goodwill	548.45	-	548.45
	(c)	Intangible assets	3,357.29	0.01	3,357.30
	(d)	Intangible assets under development	1,672.24	-	1,672.24
	(e)	Biological assets other than bearer plants		0.49	0.49
	(f)	Financial assets			
		(i) Investments	352.79	0.02	352.81
		(ii) Loans	3,469.95	(2,984.66)	485.29
		(iii) Bank balances	-	46.97	46.97
		(iv) Others	-	466.86	466.86
	(g)	Other non - current assets	46.97	1,601.49	1,648.46
			59,581.03	20,013.44	79,594.47
(2)		**Current assets**			
	(a)	Inventories	4,848.69	-	4,848.69
	(b)	Financial assets			-
		(i) Investments	1,432.40	23.62	1,456.02
		(ii) Trade receivables	1,690.70	-	1,690.70
		(iii) Cash and cash equivalents	1,139.07	(35.89)	1,103.18
		(iv) Bank balances other than (iii) above		35.89	35.89
		(v) Loans	5,860.59	(5,370.94)	489.65
		(vi) Others (to be specified)		696.77	696.77
	(c)	Current tax assets (net)		553.71	553.71
	(d)	Other current assets	984.13	4,194.81	5,178.94
			15,955.58	97.97	16,053.56
		Total assets	**75,536.61**	**20,111.41**	**95,648.02**
		EQUITY AND LIABILITIES			
		EQUITY			
	(a)	Equity share capital	91.49	-	91.49
	(b)	Other equity	20,950.58	15,330.67	36,281.25
	(c)	Non controlling interest	857.25	122.08	979.33
			21,899.32	15,452.75	37,352.07
		LIABILITIES			
(1)		Non - current liabilities			
	(a)	Financial liabilities			
		(i) Borrowings	35,613.94	(8.76)	35,605.18
		(ii) Trade payables			-
		(iii) Other financial liabilities	213.90	(110.99)	102.91
	(b)	Provisions	159.32	-	159.32
	(c)	Deferred tax liabilities (net)	2,018.47	4,719.57	6,738.04
			38,005.63	4,599.82	42,605.45
(2)		Current liabilities			
	(a)	Financial liabilities			
		(i) Borrowings	6,852.34	-	6,852.34
		(ii) Trade payables	2,053.29	-	2,053.29
		(iii) Other financial liabilities excl. provisions		5,173.26	5,173.26
	(b)	Other current liabilities	6,571.14	(5,114.42)	1,456.72
	(c)	Provisions	154.89	-	154.89
			15,631.66	58.84	15,690.50
			53,637.29	4,658.66	58,295.95
		Total Equity & Liabilities	**75,536.61**	**20,111.41**	**95,648.02**

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72 b. RECONCILIATION OF BALANCE SHEET AS AT 31.03.2016

₹ crore

			Particulars	IGAAP As at 31.03.2016	Adjustments	Ind AS As at 31.03.2016
			ASSETS			
(1)			**Non - current assets**			
	(a)		Property, plant and equipment	41,610.83	19,601.39	61,212.22
	(b)		Capital work - in - progress	10,702.49	0.21	10,702.70
	(c)		Investment property	-	32.41	32.41
	(d)		Goodwill	548.45	-	548.45
	(c)		intangible assets	3,277.43	-	3,277.43
	(d)		Intangible assets under development	1,124.10	-	1,124.10
	(e)		Biological assets other than bearer plants	-	0.45	0.45
	(f)		Financial assets			
		(i)	Investments	357.71	1.65	359.36
		(ii)	Loans	3,209.34	(2,258.96)	950.38
		(iii)	Bank balances	-	66.90	66.90
		(iv)	Others	66.90	444.52	511.42
	(g)		Other non - current assets	-	880.77	880.77
				60,897.25	18,769.34	79,666.59
(2)			**Current assets**			
	(a)		Inventories	3,235.97	18.13	3,254.10
	(b)		Financial assets			
		(i)	Investments	0.03	-	0.03
		(ii)	Trade receivables	1,429.18	(0.00)	1,429.18
		(iii)	Cash and cash equivalents	620.38	(117.92)	502.46
		(iv)	Bank balances other than (iii) above		117.92	117.92
		(v)	Loans	6,135.88	(5,924.36)	211.52
		(vi)	Others (to be specified)		979.41	979.41
	(c)		Current tax assets (net)		569.33	569.33
	(d)		Other current assets	1,220.47	4,447.38	5,667.85
				12,641.91	89.89	12,731.80
			Total assets	73,539.16	18,859.23	92,398.39
			EQUITY AND LIABILITIES			
			EQUITY			
	(a)		Equity share capital	91.49	(0.00)	91.49
	(b)		Other equity	18,055.59	14,289.02	32,344.61
	(c)		Non controlling interest	800.28	99.55	899.83
				18,947.36	14,388.57	33,335.93
			LIABILITIES			
(1)			Non - current liabilities			
	(a)		Financial liabilities			
		(i)	Borrowings	36,361.71	(7.81)	36,353.90
		(ii)	Trade payables		-	-
		(iii)	Other financial liabilities	121.63	(27.93)	93.70
	(b)		Provisions	195.73	(0.00)	195.73
	(c)		Deferred tax liabilities (net)	1,347.66	4,524.71	5,872.37
				38,026.73	4,488.97	42,515.70
(2)			Current liabilities			
	(a)		Financial liabilities			
		(i)	Borrowings	7,777.95	-	7,777.95
		(ii)	Trade payables	2,317.74	-	2,317.74
		(iii)	Other financial liabilities excl. provisions		5,040.34	5,040.34
	(b)		Other current liabilities	6,404.58	(5,058.65)	1,345.93
	(c)		Provisions	64.80	-	64.80
				16,565.07	(18.31)	16,546.76
				54,591.80	4,470.66	59,062.46
			Total Equity & Liabilities	73,539.16	18,859.23	92,398.39

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st March, 2016

72 c. RECONCILIATION OF STATEMENT OF PROFIT ANT LOSS FOR THE YEAR ENDED 31.03.2016

₹ crore

	Particulars	IGAAP Year ended 31.03.2016	Adjustments	IND AS Year ended 31.03.2016
I	Revenue from operations	19,202.43	2,263.21	21,465.64
	Less: Captive Sales for own projects	(1,097.51)	-	(1,097.51)
II	Other income	527.34	(370.65)	156.69
III	**Total income (I + II)**	18,632.26	1,892.56	20,524.82
IV	**Expenses**			
	Cost of materials consumed	6,076.27	-	6,076.27
	Purchases of stock - in - trade	20.58	-	20.58
	Changes in inventories of finished goods, work -in -progress and scrap	466.32	(18.13)	448.19
	Employee benefits expense	912.51	34.06	946.57
	Finance costs(Net)	3,252.74	0.82	3,253.56
	Depreciation and amortization expense	2,819.39	1,248.49	4,067.88
	Excise Duty	-	1,996.90	1,996.90
	Other expenses	8,621.06	(80.80)	8,540.26
	Total expenses	**22,168.87**	3,181.34	**25,350.21**
	Less: Captive Sales for own projects	(1,097.51)	-	(1,097.51)
		21,071.36	3,181.34	**24,252.70**
V	**Profit / (loss) before exceptional items and tax (III - IV)**	**(2,439.10)**	(1,288.78)	**(3,727.88)**
VI	Exceptional items	(235.83)	-	(235.83)
VII	**Profit / (loss) before tax (V - VI)**	**(2,674.93)**	**(1,288.78)**	**(3,963.71)**
VIII	Tax expense			
	current tax	0.67	-	0.67
	Deferred tax	(676.97)	(201.16)	(878.13)
	Total tax expense/(credit)	(676.30)	(201.16)	(877.46)
IX	**Profit / (loss) for the period (VII - VIII)**	**(1,998.63)**	(1,087.62)	**(3,086.25)**
X	Share in Profit / (Loss) of associates (Net of tax)	(1.40)	0.39	(1.01)
	Total Profit/(Loss) (IX + X)	**(2,000.03)**	**(1,087.23)**	**(3,087.26)**
	Other Comprehensive income(OCI)			
	(i) Items that will not be reclassified to profit or Loss			
	Remeasurement of the defined benefit plans	-	35.99	35.99
	(ii) Income Tax relating to Items that will not be reclasiffied to profit or loss	-	12.46	12.46
	(iii) Items that will be reclassified to profit or Loss		-	
	Foreign Currency translation reserve (FCTR)	-	(767.81)	(767.81)
	(iv) Income Tax relating to Items that will be reclasiffied to profit or loss		-	
XI	**Total comprehensive income**	**(2,000.03)**	**(1,831.51)**	**(3,831.54)**
	Net Profit attributable to:			
	a) Owners of the equity	-	(2,966.24)	(2,966.24)
	b) Non- Controlling interest	-	(121.02)	(121.02)
	Other Comprehensive Income attributable to:			
	a) Owners of the equity	-	(699.16)	(699.16)
	b) Non- Controlling interest	-	(45.12)	(45.12)
	Total Comprehensive Income attributable to:			
	a) Owners of the equity	(1,902.01)	(1,763.39)	(3,665.40)
	b) Non- Controlling interest	(98.02)	(68.12)	(166.14)
	Earnings per equity share			
	(1) Basic	(20.79)		(33.74)
	(2) Diluted	(20.79)		(33.74)

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72 d.Other equity as at 1st April 2015

₹ crore

Particulars	Reserves and Surplus										Items of other comprehensive income			Total	Non controlling interest
	Sales Tax Subsidy /Capital reserve	Capital Redemption Reserve	Securities premium account	Debenture Redemption Reserve	Share Option outstanding Account-By subsidiary	Capital Reserve on Consolidation	Central/ State Subsidy Resserve	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Retained earnings	Share of Joint Venture & Associates	Foreign Currency Translation Reserve	Remeasurement of Defined Benefit Obligation/ Plan		
As at 01.4.2015	417.05	72.00	5.03	864.54	23.52	1,155.22	0.12	-	1,613.48	16,718.39		81.23		20,950.58	857.25
Re- Measurement														-	
- Valuation of Investments at fair value										23.62				23.62	
- Remeaurement of Borrowings										8.76				8.76	
- Remeaurement of Subsidy							(0.12)			0.12				-	
- Fair Valuation of PPE										20,882.75				20,882.75	
- Deferred Tax on adjustments										(5,462.38)				(5,462.38)	
- Change in Share of Minority										(122.08)				(122.08)	122.08
Restated balance as at 01.04.2015	417.05	72.00	5.03	864.54	23.52	1,155.22	-	-	1,613.48	32,049.18	-	81.23	-	36,281.25	979.33

Other equity as at 31st March 2016

Particulars	Reserves and Surplus										Items of other comprehensive income			Total	Non controlling interest
	Sales Tax Subsidy /Capital reserve	Capital Redemption Reserve	Securities premium account	Debenture Redemption Reserve	Share Option outstanding Account-By subsidiary	Capital Reserve on Consolidation	Central/ State Subsidy Resserve	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Retained earnings	Share of Joint Venture & Associates	Foreign Currency Translation Reserve	Remeasurement of Defined Benefit Obligation/ Plan		
As at 31.03.2016 as per IGAAP	417.05	72	5.03	1102.08	16.64	1710.67	0.12	-188.23	1619.21	13,987.60		-686.58		18,055.59	857.25
Profit and loss for the year										(1,064.23)	0.73		21.86	(1,041.64)	
Additions during the year														-	(118.70)
Adjustments:														-	
- Valuation of Investments at fair value										23.62				23.62	
- Remeaurement of Borrowings										8.76				8.76	
- Remeaurement of Subsidy							(0.12)			0.12				-	
- Fair Valuation of PPE										20,882.75				20,882.75	
- Deferred Tax on adjustments										(5,462.38)				(5,462.38)	
- Change in Share of Minority										(122.08)				(122.08)	122.08
Transfer to Minority														-	39.20
As at 31.3.2016	417.05	72.00	5.03	1,102.08	16.64	1,710.67	-	(188.23)	1,619.21	28,254.16	0.73	(686.58)	21.86	32,344.62	899.83

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72 e. Summary of reconciliation of movement in profit and loss on transition to IND AS for year ended March 31, 2016

₹ crore

Particulars	31.03.2016
Reported net profit for the period as per Indian GAAP	(1,998.63)
Adjustments:	
a.Fair valuation of investments	(23.62)
b. Actuarial gain on defined benefit obligations accounted through Other Comprehensive Income	(22.27)
c. Fair Valuation of PPE	-
d.Change in depreciation due to fair value of property, plant and equipment	(1,248.49)
e.Other Ind AS adjustment	17.39
f. Deferred tax on above adjustments (net)	189.37
Net profit before OCI as per Ind AS	(3,086.25)

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72 f. Notes to the reconciliation of equity as at 1st April 2015 and 31st March 2016 and total comprehensive income for the year ended 31st March 2016

Property, Plant and Equipments carried at deemed cost
The Company has considered fair value as deemed cost of Property Plant and Equipments i.e Land, building and Plant & machinery and re assessed useful life (as assessed and estimated by the management & technical valuer) as on the date of transition to Ind AS i.e 1st April 2015 and impact of ₹ 20882.75 crore in accordance with said stipulations with resulted impact being accounted for in reserves. The depreciation as per IND AS has been accounted on fair value and on revised useful life.

Investments
Investments other than investment in subsidiaries, joint ventures and associates has been considered at fair value through profit & loss.
Investments in subsidiaries, joint ventures and associates: (i) in equity shares has been considered at carrying value as deemed cost; (ii) other than equity shares has been considered at amortised cost. Difference between the instruments carrying value and amortised cost as at the date of transition has been recognised in retained earnings.

Defined benefit obligation
The impact of change in acturial assumption and experience adjustments for defined benefit obligation is accounuted in Other Comprehensive Income with reversal in profit & loss.

Deferred Tax
The Company has accounted for deferred tax on various adjustment between indian GAAP and Ind AS as well as on temporary differences between the carrying amount of assets and liabilities in the balance sheet and corresponding tax bases at the tax rate at which they are expected to be reversed. Corresponding net impact has been recognised in retained earning/profit & loss/Other Comprehensive Income as applicable.

Excise Duty
Under Ind AS, Excise duty on sale of goods is separately presented as expenses. Thus sale of goods under Ind AS for the year ended 31st March 2016 has increased by ₹ 1,996.90 crore with a corresponding increase in other expense.

Financial assets and Financial Liabilities
Financial assets and financial liabilities have been classified as per Ind AS 109 read with Ind AS 32.

Statement of Cash Flows
The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

Discounts
Under Indian GAAP, discounts were recognised as expenses which has been adjusted against the revenue under Ind AS during the year ended 31st March 2016.

Standards issued but not effective yet
In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirments of the amendment and the effect on the financial statements is being evaluated.

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

The Company has an Employee Share Purchase Scheme namely JSPL ESPS 2013; accordingly the said amendment does not have any possible impact on the financials of the Company.

LODHA & CO. New Delhi Chartered Accountants

JINDAL STEEL & POWER LIMITED

73 During the current year, the parent company has paid managerial remumeration of Rs 14.75 crore to the Chairman and Rs. 7.30 crore to Managing Director and Group CEO of the Company.The Parent Company had taken the shareholder' approval by way of special resolution for payment of minimum managerial remuneration as per Schedule V of the Companies Act, 2013 subject to the approval of the Central Govemment The Parent Company has filed necessary application(s) with the Central government for excess remuneration paid of Rs. 8.01 crore and approval is awaited.

74 One of the Indian Subsidiaries, as a matter of prudence, as per the past practice till date 31st March, 2015, had recognized an expense on account for disputed demand of electricity duty and interest thereon amounting to ₹ 280.99 crore (₹ 47.34 crore as Fees and Taxes and ₹ 30.09 crore as interest others in 2014-15). The Subsidiary has challenged the validity of demand made by the Government of Chhattisgarh, in Court, which is pending for decision. Considering the present status of the case, management consideration and opinion of an expert, the company has not recognised electricity duty of ₹ 47.17 crore and interest thereon of ₹ 37.97 crore for the year ended 31st March, 2016 against disputed demand of electricity duty and disclosed the same under contingent liability under Note 2.28 herein above.Management feel that it has good creditable case and confident about favourable decision in respect of above disputed demand.

75 The Parent Company has, as on 31st March, 2016, outstanding loan in foreign currency of US$ 109.95 million (equivalent ₹ 729.35 crore) in the name of an overseas subsidiary. The said loan, being long term was earlier treated as part of quasi equity and hence exchange difference arising on the translation of the said loan was accumulated in foreign currency translation reserve. As a consequence of the Parent Company rescheduling the terms of re-payment, said loan is to be repaid by the overseas subsidiary by 31st March, 2017. Accordingly, accumulated balance appearing in the foreign currency translation reserve of ₹ 70.89 crore as at close of the year, has been credited to the consolidated statement of profit and loss during the current year.

76 As at 31 March 2016, while consolidating, the Group has restated the financial statement of certain subsidiaries from Botswana Pula to Indian currency which was not carried out in earlier years, resulting into reduced value of Intangible Assets under Development with corresponding debit to Foreign Currency Translation Reserve by ₹ 513.22 crore respectively including ₹ 476.90 crore pertaining to earlier years. However this restatement has no impact on the consolidated statement of profit and loss of the current year.

77 Notes 1 to 77 are annexed to and form an integral part of financial statements.

As per our report of even date

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

N.K Lodha
Partner
Membership No. 85155

Place: New Delhi
Dated: 20th March, 2018

LODHA & CO. New Delhi Chartered Accountants

For & on behalf of the Board of Directors

Naveen Jindal
Chairman
DIN: 00001523

Rajeev R. Bhadauria
Wholetime Director
DIN: 00376562

Deepak Sogani
Chief Financial Officer

Jagadish Patra
Company Secretary

JINDAL STEEL & POWER LIMITED

LODHA
& CO
Chartered Accountants

12, Bhagat Singh Marg, New Delhi - 110 001, India
Telephone : 91 11 23710176 / 23710177 / 23364671 / 2414
Fax : 91 11 23345168 / 23314309
E-mail : delhi@lodhaco.com

INDEPENDENT AUDITOR'S REVIEW REPORT ON UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors,
Jindal Steel & Power Limited

1. We have reviewed the attached unaudited special purpose interim condensed consolidated financial statements of Jindal Steel & Power Limited ("**the Company**" or "**the Holding Company**"), its subsidiaries (the Holding Company and its subsidiaries together referred as the "**Group**"), its associates and its joint ventures which comprises of the unaudited condensed consolidated balance sheet as at December 31, 2017, the related unaudited condensed consolidated statement of profit and loss (including other comprehensive income) and the unaudited condensed consolidated cash flows statement for the nine months ended December 31, 2017 and unaudited condensed consolidated statement of changes in equity for the nine months ended December 31, 2017 and a summary of significant accounting policies and selected explanatory notes (collectively, the "**Special Purpose Interim Condensed Consolidated Financial Statements**"). The Special Purpose Interim Condensed Consolidated Financial Statements have been prepared on the basis as stated in Note 2.

2. The preparation of the Special Purpose Interim Consolidated Condensed Financial Statements is the responsibility of the management of the Company for the purpose set out in paragraph 8 below. The management's responsibility includes preventing and detecting fraud and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Special Purpose Interim Condensed Consolidated Financial Statements. The accounting policies adopted for preparation of these Special Purpose Interim Condensed Consolidated Financial Statements are consistent with those used for preparation of annual financial statements for the year ended March 31, 2017.

3. Our responsibility is to issue a report on these Special Purpose Interim Condensed Consolidated Financial Statements based on our review.

We conducted our review of the Special Purpose Interim Condensed Consolidated Financial Statements in accordance with the Standard on Review Engagements ("**SRE**") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

4. a) We did not review the special purpose interim condensed financial statements of 2 subsidiaries i.e., Jindal Power Limited and Shadeed Iron & Steel Co. LLC included in the Special Purpose Interim Condensed Consolidated Financial Statements, whose special purpose interim condensed financial statements reflect total assets as at December 31, 2017 of ₹ 30,058.61 crore, total revenue of ₹ 7,220.16 crore for the nine months ended December 31, 2017, total profit after tax of ₹ 181.77 crore for the nine months ended December 31, 2017 and total comprehensive income of ₹ 181.77 crore for the nine months ended December 31, 2017, as considered in the Special Purpose Interim Condensed Consolidated Financial Statements. These special purpose interim condensed financial statements have been reviewed by other auditors whose reports have been furnished to us by the management and our report on the Special

LODHA & CO New Delhi Chartered Accountants

Purpose Interim Condensed Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the other auditors.

b) We have relied on the management certified special purpose interim condensed financial statements (un-reviewed) of 89 subsidiaries (including 2 joint ventures considered for consolidation as per Ind AS 110), whose management certified special purpose interim condensed financial statements reflect total assets as at December 31, 2017 of ₹ 22,878.74 crore, total revenue of ₹ 696.52 crore for the nine months ended December 31, 2017, total loss after tax of ₹ 700.66 crore for the nine months ended December 31, 2017 and total comprehensive loss of ₹ 701.22 crore for the nine months ended December 31, 2017 (read with Note No. 14), as considered in the Special Purpose Interim Condensed Consolidated Financial Statements. The Special Purpose Interim Condensed Consolidated Financial Statements also include the Company's share of net profit of ₹ NIL for the nine months ended December 31, 2017, as considered in the Special Purpose Interim Condensed Consolidated Financial Statements, in respect of 2 associates i.e., Prodisyne (Pty) Ltd and Thuthukani Coal (Pty) Ltd. and 1 joint venture i.e., Shrestha Mining & Metals Pvt. Ltd.. These special purpose interim condensed financial statements / financial information have not been reviewed by their auditors and have been furnished to us by the management and our opinion on the Special Purpose Interim Condensed Consolidated Financial Statements, in so far as it relates to the amounts included and disclosure included in respect of these subsidiaries / joint ventures / associates is based solely on such management certified special purpose interim condensed financial statements / financial information.

5. **Basis for Qualified Conclusion:**

We draw attention regarding the impact on the net carrying value of fixed assets / investments made in mining assets not been considered for the reason stated in the Note No. 13 to the accompanying Special Purpose Interim Condensed Consolidated Financial Statements and the management's view regarding an additional levy paid amounting to ₹ 1,355.79 crore (being the difference between gross and net) as stated in the Note No. 12 to the accompanying Special Purpose Interim Condensed Consolidated Financial Statements, which is shown as good and recoverable. These matters were also qualified by us in the audit report on the consolidated Ind AS financial statements for the year ended March 31, 2017.

6. **Qualified Conclusion**

Based on our review conducted as stated above and based on the consideration of reports of the other auditors referred to in above paragraph 4(a), except for the effects / possible effects of our observation stated in para 5 above, nothing has come to our attention that causes us to believe that the accompanying Special Purpose Interim Condensed Consolidated Financial Statements have not been prepared in accordance with the basis set out in Note No. 2 to the Special Purpose Interim Condensed Consolidated Financial Statements, or that it contains any material misstatement.

7. The comparative consolidated balance sheet, changes in equity and related financial information of the Company as at March 31, 2017 included in these Special Purpose Interim Condensed Consolidated Financial Statements have been extracted from the audited consolidated financial statements as at March 31, 2017 which were audited by us and on which we have issued a qualified opinion on such financial statements through our report dated May 23, 2017. Furthermore, the comparative financial information of the Company including the unaudited condensed consolidated statement of profit and loss for the nine months ended December 31, 2016 included in these Special Purpose Interim Condensed Consolidated Financial Statements were reviewed by us and we issued a qualified conclusion on such financial information through our report dated February 14, 2017.

8. The Special Purpose Interim Condensed Consolidated Financial Statements have been prepared in

LODHA & CO.
New Delhi
Chartered Accountants

accordance with Note No. 2, which describes the basis of accounting for the purpose of inclusion in the Preliminary Placement Document and the Placement Document (together, the "**Placement Documents**") prepared in connection with the proposed offering of the equity shares pursuant to the Qualified Institutions Placement of the Company and may be submitted / filed with the stock exchanges where the Company's equity shares are listed and the Securities Exchange Board of India (the "**SEBI**").

Our report is provided to the Company for the purpose of inclusion in the aforementioned Placement Documents and filing with the stock exchanges where the Company's equity shares are listed and the SEBI.

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

(N. K. Lodha)
Partner
Membership No.: 085155

LODHA & CO. New Delhi Chartered Accountants

Place: New Delhi
Date: March 20, 2018

JINDAL STEEL & POWER LIMITED
UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

₹ crore

Particulars	As at 31st December, 2017	As at 31st March, 2017
ASSETS		
(1) **Non - current assets**		
(a) Property, plant and equipment	60,486.33	62,189.52
(b) Capital work - in - progress	8,443.81	8,713.98
(c) Investment property	31.52	31.89
(d) Goodwill	566.99	566.99
(e) Intangible assets	3,130.22	3,143.23
(f) Intangible assets under development	1,025.25	1,002.19
(g) Biological assets other than bearer plants	0.46	0.45
(h) Financial assets		
(i) Investments	366.98	367.66
(ii) Loans	86.98	91.25
(iii) Bank balances	19.10	36.81
(iv) Others Financial assets	268.93	508.85
(i) Other non - current assets	1,057.66	1,011.07
(2) **Current assets**		
(a) Inventories	4,389.92	3,599.26
(b) Financial assets		
(i) Investments	0.28	0.38
(ii) Trade receivables	1,797.66	1,716.62
(iii) Cash and cash equivalents	279.26	246.10
(iv) Bank balances other than (iii) above	187.05	231.12
(v) Loans	291.64	387.43
(vi) Others Financial assets	1,346.55	1,054.65
(c) Current tax assets (net)	547.02	527.59
(d) Other current assets	4,859.63	5,000.87
(e) Assets held for sale	167.63	170.02
Total assets	**89,350.87**	**90,597.93**
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	91.64	91.50
(b) Share Warrant	4.80	-
(c) Other equity	29,409.07	29,959.03
(d) Non controlling interest	556.90	646.71
LIABILITIES		
(1) Non - current liabilities		
(a) Financial liabilities		
(i) Borrowings	29,627.86	32,598.34
(ii) Trade payables	1.84	90.88
(iii) Other financial liabilities	376.69	673.21
(b) Provisions	306.27	307.21
(c) Deferred tax liabilities (net)	5,023.33	5,358.63
(d) Other non - current liabilities	0.28	0.27
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	6,775.81	7,360.10
(ii) Trade payables	3,963.40	2,937.82
(iii) Other financial liabilities	10,426.86	8,835.79
(b) Other current liabilities	2,723.44	1,675.90
(c) Provisions	62.40	62.43
(d) Current tax liabilities (net)	0.28	0.11
Total Equity & Liabilities	**89,350.87**	**90,597.93**

Overview and Significant Accounting Policies

The Accompanying Notes Form An Integral Part Of These Unaudited Special Purpose Interim Condensed Consolidated Financial Statements.

As per our report of even date

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

N.K.Lodha
Partner
Membership No. 85155

For & on behalf of the Board of Directors

Naveen Jindal
Chairman
DIN: 00001523

Rajeev R. Bhadauria
Whole Time Director
DIN: 00376562

Deepak Sogani
Chief Financial Officer

Jagadish Patra
Company Secretary

Place: New Delhi
Dated: 20th March, 2018

LODHA & CO. New Delhi Chartered Accountants

JINDAL STEEL & POWER LIMITED

JINDAL STEEL & POWER LIMITED

UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE NINE MONTHS ENDED 31ST DECEMBER,2017

₹ crore

	Particulars	Nine Months ended 31st December, 2017	Nine Months ended 31st December, 2016
I	Revenue from operations	19,738.34	16,349.57
	Less: Captive Sales for own projects	(495.78)	(409.40)
II	Other income	2.42	0.99
III	**Total Income (I + II)**	**19,244.98**	**15,941.16**
IV	Expenses		
	Cost of materials consumed	6,385.76	4,451.45
	Purchases of stock - in - trade	245.55	155.84
	Changes in inventories of finished goods, work -in -progress and scrap	(191.77)	101.46
	Employee benefits expense	717.96	687.92
	Finance costs(Net)	2,794.31	2,559.76
	Depreciation and amortization expense	2,923.11	2,943.14
	Excise Duty	457.89	1,180.16
	Other expenses	7,790.37	6,632.40
	Total expenses	**21,123.18**	**18,712.13**
	Less: Captive Sales for own projects	(495.78)	(409.40)
		20,627.40	**18,302.73**
V	**Profit / (loss) before exceptional items and tax (III - IV)**	**(1,382.42)**	**(2,361.57)**
VI	Exceptional items	(149.72)	(625.72)
VII	**Profit / (loss) before tax (V - VI)**	**(1,532.14)**	**(2,987.29)**
VIII	Tax expense		
	current tax	(1.70)	
	Deferred tax	(332.53)	(545.43)
	Total tax expense/(credit)	(334.23)	(545.43)
IX	**Profit / (loss) for the period (VII - VIII)**	**(1,197.91)**	**(2,441.86)**
X	Share in Profit / (Loss) of associates (Net of tax)	7.08	4.34
	Total Profit/(Loss) (IX + X)	**(1,190.83)**	**(2,437.52)**
	Other Comprehensive income(OCI)		
	(i) Items that will not be reclassified to profit or Loss		
	Remeasurement of the defined benefit plans	2.53	-
	(ii) Income Tax relating to Items that will not be reclasiffied to profit or loss	1.08	-
	(iii) Items that will be reclassified to profit or Loss		
	Foreign Currency translation reserve (FCTR)	111.61	-
	(iv) Income Tax relating to items that will be reclasiffied to profit or loss		
	Total comprehensive income	**(1,077.77)**	**(2,437.52)**
	Net Profit attributable to:		
	a) Owners of the equity	(1,101.02)	(2,235.58)
	b) Non- Controlling interest	(89.81)	(201.94)
	Other Comprehensive income attributable to:		
	a) Owners of the equity	113.06	-
	b) Non- Controlling interest	-	-
	Total Comprehensive Income attributable to:		
	a) Owners of the equity	(987.96)	(2,235.58)
	b) Non- Controlling interest	(89.81)	(201.94)
XII	**Earnings per equity share**		
	(1) Basic	(12.03)	(24.44)
	(2) Diluted	(12.03)	(24.44)

Overview and Significant Accounting Policies

The Accompanying Notes Form An Integral Part Of These Unaudited Special Purpose Interim Condensed Consolidated Financial Statements.

As per our report of even date

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

N.K Lodha
Partner
Membership No. 85155

For & on behalf of the Board of Directors

Naveen Jindal
Chairman
DIN: 00001523

Rajeev R. Bhadauria
Whole Time Director
DIN: 00376562

Deepak Sogani
Chief Financial Officer

Jagadish Patra
Company Secretary

Place: New Delhi
Dated: 20th March, 2018

LODHA & CO. New Delhi Chartered Accountants

JINDAL STEEL & POWER LIMITED

JINIJINDAL STEEL & POWER LIMITED

UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER, 2017

₹ crore

Particulars	Nine months 31st December, 2017	Nine months 31st December, 2016
A. Cash flow from operating activities	6,226.69	5,310.36
B. Cash flows from investing activities	(542.12)	(2,058.15)
C. Cash flows from financing activities	(5,651.41)	(3,632.12)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	33.16	(379.91)
Cash and cash equivalents at the beginning of the period	246.10	502.46
Cash and cash equivalents at the end of the period	**279.26**	**122.55**

The Accompanying Notes Form An Integral Part Of These Unaudited Special Purpose Interim Condensed Consolidated Financial Statements.

As per our report of even date

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

N.K Lodha
Partner
Membership No. 85155

Place: New Delhi
Dated: 20th March, 2018

For & on behalf of the Board of Directors

Naveen Jindal
Chairman
DIN: 00001523

Rajeev R. Bhadauria
Whole Time Director
DIN: 00376562

Deepak Sogani
Chief Financial Officer

Jagadish Patrra
Company Secretary

JINDAL STEEL & POWER LIMITED

LODHA & CO. New Delhi Chartered Accountants

JINDAL STEEL & POWER LIMITED

UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31ST DECEMBER, 2017

A. Equity Share Capital

₹ Crore

As at 1st April, 2016	Movement during 2016-17	As at 31st March, 2017	Movement during Nine months	As at 31st December, 2017
91.49	0.01	91.50	0.14	91.64

B. Share Warrants

₹ Crore

As at 1st April, 2016	Movement during 2016-17	As at 31st March, 2017	Movement during Nine months	As at 31st December, 2017
-	-	-	4.80	4.80

C. Other equity

₹ Crore

Particulars	Reserves and Surplus									Items of other comprehensive income						
	Sales Tax Subsidy /Capital reserve*	Capital Redemption Reserve	Securities premium account	Debenture Redemption Reserve	Share Option outstanding Account-By subsidiary	Capital Reserve on Consolidation	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Retained earnings**	Share of Joint Venture & Associates	Foreign Currency Translation Reserve	Remeasurement of Defined Benefit Obligation/Plan	Equity component of Financial Instruments	Equity attributable to shareholders of the Group	Non controlling interest	Total
Balance as at 1st April, 2016	417.05	72.00	5.03	1,102.08	16.64	1,710.67	(188.23)	1,619.21	28,254.16	0.73	(686.59)	21.86	-	32,344.61	899.83	33,244.44
Profit & Loss for the year									(2,281.28)	-				(2,281.28)	(256.24)	(2,537.52)
Other comprehensive income for the year										(0.06)	(130.18)	2.64		(127.60)	2.70	(124.90)
Movement during the year	(316.70)		0.98	163.10	0.54		54.05		(163.64)	(1.00)	278.06		7.90	23.30	0.42	23.72
As at 31st March, 2017	100.35	72.00	6.01	1,265.18	17.18	1,710.67	(134.17)	1,619.21	25,809.24	(0.33)	(538.71)	24.50	7.90	29,959.03	646.71	30,605.74
Adjustment on divestment of a step down subsidiary									43.01					43.01		43.01
Profit & Loss for the period									(1,101.02)					(1,101.02)		(1,101.02)
Other comprehensive income for the period											111.61			111.61		111.61
Movement during the period			183.35				128.13				83.51	1.45		396.44	(89.81)	306.63
As at 31st Dec, 2017	100.35	72.00	189.36	1,265.18	17.18	1,710.67	(6.04)	1,619.21	24,751.23	(0.33)	(343.59)	25.95	7.90	29,409.07	556.90	29,965.97

* Includes capital reserve of ₹ 100.35 crore

** Includes upward fair valuation of PPE, read with note no.63 of the audited consolidated financial statements for the year ended 31st March, 2017.

As per our report of even date

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

N.K Lodha
Partner
Membership No. 85155

Place: New Delhi
Dated 20th March, 2018

For & on behalf of the Board of Directors

Naveen Jindal
Chairman
DIN: 00001523

Rajeev R. Bhadauria
Whole Time Director
DIN: 00376562

Deepak Sogani
Chief Financial Officer

Jagadish Patra
Company Secretary

JINDAL STEEL & POWER LIMITED

LODHA & CO. New Delhi Chartered Accountants

JINDAL STEEL & POWER LIMITED

NOTES FORMING PART OF THE UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

1 **General Information**

Jindal Steel & Power Limited ("the Company" or "the Parent Company") is one of the India's leading steel producers with significant presence in sectors like mining and power generation including through its subsidiaries in India and abroad. It is listed on the National Stock Exchange of India Limited and BSE Limited in India. The registered office is situated in the state of Haryana, the corporate office is situated in New Delhi and the manufacturing plants are in the states of Chhattisgarh, Odisha, Jharkhand etc. in India and also in Sultanate of Oman. The Group has global presence through subsidiaries, mainly in Australia, Botswana, Cameroon, China, Dubai, Indonesia, Liberia, Mauritania, Mauritius, Mozambique, Madagascar, Namibia, South Africa, Sultanate of Oman, Tanzania and Zambia. There are several business initiatives running simultaneously across continents.

2 **BASIS OF PREPARATION**

These Unaudited Special Purpose Interim Condensed Consolidated Financial Statements for the nine months ended December 31, 2017 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34, 'Interim Financial Reporting' and other accounting principles generally accepted in India for the purpose of inclusion in the Placement Documents prepared in connection to the proposed offerings of the equity shares pursuant to the Qualified Institutional Placement (QIP) of the Company and will be submitted/ filed with the stock exchanges where the Company's equity shares are listed and the Securities Exchange Board of India (SEBI).

The Unaudited Special Purpose Interim Condensed Consolidated Financial Statements Incorporate the condensed financial statements of the Company and entities controlled by the Company i.e. its subsidiaries. It also includes the Group's share of profits, net assets and retained post acquisition reserves of joint ventures and associates that are consolidated using the equity method of consolidation. Control is achieved when the Company is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity. Significant Influence, is achived when the Company has power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The results of subsidiaries, joint ventures and associates acquired or disposed off during the period are included in the interim condensed consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. The Accounting Policies of the parent company, its subsidiaries, joint ventures and associates are largely similar. However, few accounting policies are different as certain subsidiaries / associates located in different countries have to comply with the local regulatory requirements. Wherever necessary, adjustments are made to the financial statements of subsidiaries, joint ventures and associates to bring their accounting policies in line with those used by other members of the Group. The Financial Statements of parent Company and its subsidiaries have been consolidated on line-by-line basis by adding together book value of like items of assets, liabilities, income and expenses after eliminating intra-group transactions, balances, income and expenses in accordance with Ind AS 110 "Consolidated Financial Statement". Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. The interest of noncontrolling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets.The choice of measurement basis is made on an acquisition by-acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance. Impact of any insignificant and immaterial Non Controlling Interest is not considered. Foreign Subsidiaries : Items of the assets and liabilities, both monetary and non-monetary, have been translated at the exchange rates prevailing at the end of the period and items of income and expenses have been translated at the average rate prevailing during the period. Resulting exchange differences arising on translation of said items have been transferred to Foreign Currency Translation Reserve Account through Other Comprehensive Income. In case of associates, where Company holds directly or indirectly through subsidiaries 20% or more equity or / and exercises significant influence, investments are accounted for by using equity method in accordance with Ind AS 28 "Investments in Associates and Joint Ventures". Post acquisition, the Company accounts for its share in the change in net assets of the associates (after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share), through its statement of profit and loss, other comprehensive income and through its reserves for the balance. The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries, joint ventures and associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be. However, for associates, Goodwill is not separately recognised but included in the value of investments. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with Parent company's financial statements.

The preparation of the Unaudited Special Purpose Interim Condensed Consolidated Financial Statements in conformity with Indian Accounting Standards (Ind AS) requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures at the date of the Special Purpose Interim Condensed consolidated financial statements. The judgments, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years and, if material, their effects are disclosed in the notes to the Special Purpose Interim Condensed consolidated financial statements. Actual results could vary from these estimates.

The Unaudited Special Purpose Interim Condensed Consolidated Financial Statements includes the interim financial information of following entities:

Subsidiaries:

1	JINDAL SHADEED IRON & STEEL LLC	46	EVERBEST STEEL AND MINING HOLDINGS LIMITED
2	WOLLONGONG COAL LTD.	47	HARMOMY OVERSEAS LIMITED
3	JINDAL STEEL & POWER(MAURITIUS) LIMITED	48	JUBILANT OVERSEAS LIMITED
4	JINDAL POWER LIMITED	49	JINDAL BOTSWANA (PTY) LIMITED
5	JINDAL MINING SA(PTY) LIMITED	50	VISION OVERSEAS LIMITED
6	JINDAL AFRICA INVESTMENTS (PTY) LTD.	51	PT JINDAL OVERSEAS LTD.
7	JSPL MOZAMBIQUE MINERALS LDA	52	PT SUMBER SURYA GEMILANG
8	JB FABLNFRA PVT LTD	53	PT MARUWAI BARA ABADI
9	TRISHAKTI REAL ESTATE INFRASTRUCTURE AND DEVELOPERS PVT. LTD.	54	PT BHI MINING INDONESIA
10	ALL TECH BUILDING SYSTEM LTD	55	JINDAL STEEL BOLIVIA SA
11	JINDAL POWER VENTURES(MAURITIUS) LTD	56	GAS TO LIQUIDS INTERNATIONAL SA
12	JINDAL POWER SENEGAL SAU	57	ATTUNLI HYDRO ELECTRIC POWER COMPANY LIMITED
13	BLUE CASTLE VENTURES	58	ETALIN HYDRO ELECTRIC POWER COMPANY LTD.
14	JIN AFRICA LTD	59	JINDAL HYDRO POWER LTD.
15	JINDAL INVESTIMENTOS LDA	60	JINDAL POWER DISTRIBUTION LTD.
16	JINDAL AFRICA LIBERIA LTD.	61	AMBITIOUS POWER TRADING COMPANY LIMITED
17	JINDAL AFRICA SA	62	JINDAL POWER TRANSMISSION LTD.
18	JINDAL STEEL & POWER (BC) LTD.	63	KAMALA HYDRO ELECTRIC POWER CO. LTD.
19	JINDAL KZN PROCESSING (PTY) LTD.	64	KINETA POWER LTD.
20	JINDAL STEEL & MINERALS ZIMBABWE LTD	65	UTTAM INFRALOGIX LTD.
21	JINDAL STEEL & POWER (AUSTRALIA) PTY LTD	66	PANTHER TRANSFReIGHT PVT. LTD.
22	JINDAL ZAMBIA LTD.	67	JINDAL BVI LTD.
23	SUNGU SUNGU PTY LTD	68	JINDAL(BARBADOS) HOLDINGS CORP
24	BON TERA MINING (PTY) LTD	69	JINDAL(BARBADOS) MINING CORP
25	JINDAL ENERGY (SA) PTY LTD	70	JINDAL(BARBADOS) ENERGY CORP
26	PEERBOOM COAL (PTY) LTD	71	MEEPONG RESOURCES (MAURITIUS)(PTY) LTD.
27	KOLEKO RESOURCES(PTY) LTD.	72	MEEPONG ENERGY(MAURITIUS)(PTY) LTD.
28	EASTERN SOLID FUELS(PTY) LTD.	73	JINDAL ENERGY BAHAMAS
29	LEGEND IRON LTD	74	JINDAL TRANSAFRICA(BARBADOS) CORP
30	BELDE EMPREENDIMENTOS MINEIROS LDA	75	MEEPONG RESOURCES PTY LTD.
31	SOUTHBULLI HOLDING PTY LTD.	76	MEEPONG ENERGY PTY LTD.
32	OCEANIC COAL REOURCES NL	77	MEEPONG SERVICES(PTY) LTD.
33	WONGAWILLI COAL PTY LTD.	78	MEEPONG WATER(PTY) LTD.
34	SAD-ELEC(PTY) LTD.	79	JINDAL RESOURCES BOTSWANA PTY LTD
35	BRAKE TRADING (PTY) LIMITED	80	TRANS AFRICA RAIL(PTY) LTD.
36	FIREFLASH INVESTMENTS(PTY) LIMITED	81	JINDAL ENERGY (BOTSWANA) PTY LTD.
37	LANDMARK MINERAL RESOURCES (PTY) LIMITED	82	OSHO MADAGASCAR SARL
38	CAMEROON MINING ACTION S.A.	83	JINDAL MADAGASCAR SARL
39	JINDAL STEEL DMCC	84	JINDAL TANZANIA LTD
40	SHADEED IRON & STELL CO. LIMITED-DUBAI	85	JINDAL MINING NAMIBIA(PTY) LTD.
41	JINDAL INVESTMENT HOLDINGS LIMITED	86	JINDAL MAURITANIA SARL
42	SKYHIGH OVERSEAS LIMITED	87	JINDAL REALITY PRIVATE LIMITED (GROUP)
43	TRANS ASIA MINING PTE. LTD.	88	RAIGARH PATHALGAON EXPRESSWAY LIMITED
44	JINDAL MINING & EXPLORATION LIMITED	89	ENVIRO WASTE GAS SERVICES PTY LTD.
45	JINDAL ANGUL POWER LIMITED	90	ENDURING OVERSEAS INC (ceased to be subsidiary during the period)

Joint Ventures:

1	JINDAL SYNFUEL LIMITED
2	URTAN NORTH MINING COMPANY LIMITED
3	SHRESTHA MINING & METALS PVT. LTD.

Associates:

1	PRODISYNE(PTY) LTD
2	THUTHUKANI COAL(PTY) LTD
3	NALWA STEEL & POWER LTD

These Unaudited Special Purpose Interim Condensed Consolidated Financial Statements have been approved and adopted by Board of Directors of the Company on 20th March, 2018.

3 **SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies of the financial statements of the company and its subsidiries are set out in their respective standalone financial statements for the year ended 31st March 2017. The significant accounting policies to prepare consolidated financial statements are in uniformity with the standalone financial statements of the Company. The accounting policies adopted for preparation of these Unaudited Special Purpose Interim Condensed Consolidated Financial Statements are consistent with those used for preparation of annual consolidated financial statements for year ended March 31, 2017.

JINDAL STEEL & POWER LIMITED

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4 CONTINGENT LIABILITIES AND COMMITMENTS ₹ crore

	Particulars	As at 31st December,2017	As at 31st March,2017
A	**Contingent Liabilities**		
a (i)	**Guarantees, Undertakings & Letter Of Credit**		
	Guarantees issued by the Company's Bankers on behalf of the Company	1,063.18	1,221.23
	Guarantees issued by the Associates(s)' Bankers on behalf of the Associate(s)#	0.75	0.34
	Letter of credit opened by banks	1,324.30	933.93
	Corporate guarantees/undertakings issued on behalf of third parties	289.28	289.94
a (ii)	**Demand:**		
	Disputed Statutory and Other demands,as certified by management	2,831.99	1,566.70
	Income Tax demands where the cases are pending at various stages of appeal with the authorities	2,393.20	1,779.78
	Disputed Statutory and Other demands of Associate(s) #	26.41	20.28
	Bonds executed for machinery imports under EPCG Scheme	1,120.83	1,830.74

Represents Group's share in associate i.e 40% in Nalwa Steel & Power Limited

a (iii) Hon'ble Supreme Court of India levied compensation on lessees of mines of Iron Ore and manganese in the State of Odisha for excess production (above environmental and/or forest clearances). Accordingly the Company has deposited ₹ 137.82 crore in December 2017, against the demand notice issued by the Department of Mines, Odisha, post separate hearing before Hon'ble Supreme Court. The Company did not agree to excess quantity as assessed by the State Government and Central Empowered Committee and filed review petition. Pending disposal of the same and based on the opinion of an expert, the Company believes that it has a credible case in its favour. Therefore amount paid is shown as recoverable.

a (iv) Pursuant to the judgment dated 25.08.2014 read with Order dated 24.09.2014 passed by the Hon'ble Supreme Court the allocation of the coal blocks, Gare Palma IV/1 (operational); Utkal B-1, Amarkonda Murgadangal, Gare Palma IV/6, Ramchandi, Urtan North and Jitpur (non-operational) to the Company/its joint ventures stand de-allocated. Prior to the said de-allocation by the Hon'ble Supreme Court, the Government had invoked bank guarantees provided by the Company to the extent of ₹ 153.55 crore with respect to Ramchandi, Amarkonda Murhadangal and Jitpur Coal Blocks. These matters, besides the matters with respect to Urtan North and Gare Palma IV/6 coal blocks, were contested by the Company at various levels and the invocation of the said bank guarantees had been stayed by the respective Hon'ble High Courts. Bank guarantees amounting to ₹ 155.00 crore have been provided by the Company for the above mentioned non- operational coal blocks.

Pursuant to the said de-allocation by the Hon'ble Supreme Court and pending the decision/s of the Ministry of Coal on the show cause notices issued by the Ministry of Coal calling upon the Company to show cause as to why the delay in the development of the non-operational coal blocks should not be held as violation of the terms and conditions of the allocation letters of the said coal blocks, the respective Hon'ble High Courts have required the Company to keep the said Bank Guarantees alive pending the decision of the Government (Ministry of Coal) in individual case. The High Courts have restrained the Ministry of Coal to act in furtherance of its subsequent decision/s, to invoke the bank guarantee/s, for a further period of two weeks' time from the date of the communication of such decision/s in order to enable the Company to challenge such decision/s of the Ministry of Coal. In the meantime, the invocation of the bank guarantees has been stayed by the Hon'ble High Courts.
The Company believes that it has good case in respect to this matter and hence no provision is considered necessary.

(b) In case of one of the subsidaries, as a matter of prudence, as per the past practice till date 31st March 2015, had recognized an expense on account for disputed demand of electricity duty and interest thereon of amounting to ₹280.99 Crores (₹ 47.34 Crores as fees and taxes and ₹ 30.09 Crores as interest others in 2014-15). The subsidiary company has challenged the validity of demand made by the Government of Chhattisgarh, in Court, which is pending for decision. Considering the present status of the case, management consideration and opinion of an expert, the company has not recognized electricity duty of ₹47.17 crores and interest thereon of ₹37.97 crores for the year ending 31st March 2016 and electricity duty of ₹49.04 crores and interest thereon of ₹36.84 crores for the year ending 31st March 2017 against disputed demand of electricity duty and disclosed the same under contingent liability.
Management feel that it has good creditable case and confident about favorable decision in respect of above disputed demand.

(c) In case of one of the subsidaries:
i) Chief electrical inspector has raised the demand amounting ₹ 17.5 Crore of electricity duty on 4*600 MW as per the tariff applicable for start-up power whereas the Company is paying as the tariff applicable for EHT industrial power consumers provided by CSEB (Rate for start-up is more than EHT power consumer)
ii) Chief electrical inspector is demanding the electricity duty on KVAh whereas the company is paying on KWH basis.

(d) One of the subsidiaries had signed Bulk Power Transmission Agreements (BPTA) under Long Term Access (LTA) with Power Grid Corporation India Limited (PGCIL) . The details of such BPTAs are as follows:-
i) 500MW LTA signed on 19.03.2008 for JPL Stage I (4 X 250 MW):
Subsidiary vide letter dated 29.09.2017, gave an application to PGCIL for surrender of 500MW of LTA from JPL 4 X 250 MW. PGCIL accepted surrender through letter dated 16.11.2017 wherein it stated that the effective date for relinquishment is from 01.11.2017. The subsidiary has considered Rs 86 Cr as contingent liability on 500 MW LTA as per Regulation 18 of the CERC (Grant of Connectivity Long Term Access) as on 31stDecember 2017.
ii) 1400 MW capacity signed on 24.02.2010 for JPL Stage II (4 X 600MW) Thermal Power Station, Tamnar, Dist. Raigarh, Chhattisgarh with two target regions (Western Region -700MW & Northern Region -700 MW):
Consequent to signing of long term PPAs (400 MW with TANGEDCO, 192 MW with KSEB and 142.5 MW with KSEB) of total 732.5 MW, the subsidiary Company has balance LTA of 667.5 MW for which it doesn't have any long term tie-up. Thus the susbsidiary Company vide its letters dated 20.12.2017 and 18.01.2018, gave an application to PGCIL for surrender of 300MW LTA (110 MW from WR region & 190 MW from NR region) out of 1400 MW. Accordingly PGCIL vide dated 31.01.2018, revised the LTA quantum to 1100 MW with effect from 01.02.2018. The amount of relinquishment charges are still indeterminable as the same is subject to determination of stranded capacity in transmission system as envisaged under Regulation 18 of the CERC (Grant of Connectivity Long Term Access and Medium Term Open Access in Interstate Transmission and Related Matters) Regulations, 2009 by Hon'ble Commission in Petition no. 92/MP/2015.

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

B Commitments: ₹ crore

Particulars	As at 31st December,2017	As at 31st March,2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,920.71	2,568.24

5

a Significant acquisitions and disposal of items of property, plant and equipments:
The Company has divested its oxygen plant assets at its integrated steel plant at Raigarh (Chattisgarh) and Angul (Odisha) and received total consideration (inclusive of taxes) of ₹ 1121 crore. The Company has also entered into operating lease back agreement with the buyer of the oxygen plant assets for continued operation by the Company for manufactring of steel at respective plants. The loss of ₹ 149.72 crore on sale of oxygen plant assets has been shown as exceptional item.

Blast furnance, coke oven & sinter at Angul, Odisha have been commissioned during the current period and BOF at Angul, Odisha has been completed on 26th Dec 2017.

b "Other expenses" includes loss of ₹ 48.49 crore on divestment of a step down subsidiary.

6 Equity securities:
During the period the Company has issued 14,20,000 equity shares of ₹ 1 each at issue price of ₹ 140.31 each (including premium of ₹ 139.31 per share) and 4,80,00,000 convertible warrants at issue price of ₹ 140.31 each to the promoter group companies. Warrants are convertible into equal number of fully paid equity shares of ₹ 1 each and ₹ 168.37 crore has been paid up till date (out of receipt of ₹ 168.37 crore, ₹ 4.80 crore is shown as share warrant and balance ₹ 163.57 is shown as part of other equity). The warrants may be excercised by the warrant holder(s) at any time before the expiry of 18 months from the date of allotment (i.e 10th November, 2017) of the warrants.

7 Earnings per share (not annualised)
The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	Nine months ended 31 December 2017	Nine months ended 31 December 2016
Net profit/ (loss) as attributable for equity shareholders (₹ crore) (A)	(1,101.02)	(2,235.58)
Weighted average number of equity shares in calculating basic/diluted EPS (crore) (B)	91.52	91.49
Basic Earnings per Share (₹) (A/B)	(12.03)	(24.44)
Diluted Earnings* per Share (₹) (A/B)	(12.03)	(24.44)

*Anti-dilutive

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JINDAL STEEL & POWER LIMITED

JINDAL STEEL & POWER LIMITED
NOTES FORMING PART OF THE UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

8A. Non current Financial liabilities- Borrowings ₹ crore

	Particulars	As at 31st December, 2017	As at 31st March,2017
	Secured		
i)	Debentures		
	10,000 (Previous Year 10,000), 9.80% Secured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with Life Insurance Corporation of India)	1,000.00	1,000.00
	620 (Previous Year 620), 9.80% Secured Redeemable Non Convertible Debentures of ₹ 1,000,000 each (Privately placed initially with SBI Life Insurance Company Limited)	49.60	62.00
	5000 (Previous Year 5000), 9.80% Secured Redeemable Non Convertible Debentures of ₹ 1,000,000 each (Privately placed initially with Life Insurance Corporation of India)	500.00	500.00
	10,000 (Previous Year NIL), 9.95% Secured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with Kotak Mahindra Bank)	1,000.00	-
	6,500 (Previous Year NIL), 9.45% Secured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with HDFC Bank Limited)	650.00	-
		3,199.60	1,562.00
ii)	Term Loan		
	From Banks	28,095.46	29,459.35
	From Other Parties	997.93	1,011.46
iii)	Loan repayable on demand	-	-
iv)	External Commercial Borrowings	19.98	113.47
v)	Other Loans from Banks (Buyer's Credit)	750.09	660.10
		33,063.06	32,806.38
	Less current maturities under Other current financial liabilities	4,141.88	2,979.69
		28,921.18	29,826.69

1 Debentures: During the current period Non convertible debentures (NCD) agreegating to ₹ 50 crore have been issued by a subsidiary of the company and NCDs agreegating to ₹ 227.60 crore (including ₹ 127.60 crore by a subsidiary of the company) have been redeemed.

2 Project Loan of ₹ 7,215.34 crores outstanding as on 30th Nov 2015 were elongated under the 5/25 Scheme (Outstanding as at 31st Dec, 2017 ₹ 7,051.99 crore). The company is in process of execution of Joint Documentation with lenders to affect the sanctioned restructuring scheme.
On completion of Joint Documentation, security against the stated loans along with debentures (refer para: "Debenture" i & ii, "Term Loan from Bank" i, iv, v and "other Loans" of note no. 25 of audited financial statements for the year ended 31st March 2017) shall be modified to first charge on pari-passu basis over the movable and immovable fixed assets (ISP, DRI, CPP and other miscellaneous assets etc.) {Including all the project contracts (including insurance policies, rights, titles etc.)} both present and future of Plant Phase 1A at Angul, Odisha of the company in favour of the Debenture Trustees/lenders. Accordingly, during the current period the Company has given rights to the lenders in terms of RBI circular on Strategic Debt Restructuring Scheme dated June 08, 2015 to convert all or part of the outstanding loans / financial assistance (including outstanding interest) granted to the Company from time to time by Joint Lenders Forum led by State Bank of India into fully paid-up equity shares of the Company ("Equity Shares"), subject to the provisions of applicable laws.

3 Delay in repayment of borrowings : I. In Jindal Steel Power Mauritius Limited, lenders of USD 150 Mn & 400 Mn facility ('the facility') have accelerated the loan and demanded the full outstanding principal along with the due interest in view of delay in payment of interest and due amount of instalments and accordingly the outstanding loan amount of ₹ 3,516.00 Crore (at period-end rates) and interest thereon ₹ 175.97 crore has been shown under the head "current liabilities - other financial liabilities". Subsequently, the company has enterd into standstill agreement with the lenders of USD 400 Mn & USD 150 Mn facility on 8th Feb 2018 which will become effective on the receipt of RBI approval for corporate guarantee of Holding Company.
ii. During the year in Wollongong Coal Limited, the MCB, lender of USD 25 Mn facility ('the facility') have accelerated the loan and demanded the full outstanding principal along with the due interest in view of delay in payment of interest and due amount of instalments outstanding loan amount of ₹ 133.19 crore and interest thereon ₹ 15.17 crore. Subsequently, the loan has been restructured with repayment due on 31st Dec 2018. Guarantee to be given by holding company is pending for RBI approvals.
iii. The Jindal steel & Power Australia has made certain delay in payment of interest amount to ₹ 53.97 crore. Guarantee to be given by holding company is pending for RBI approvals.

4 For security and other notes refer note no. 25 & 30 of of audited financial statements for the year ended 31st March 2017.

	As at 31st December, 2017	As at 31st March,2017
Unsecured		
Debentures		
500 nos. (Previous Year NIL), 10.95% Unsecured Redeemable Non Convertible Debentures of ₹8,00,000 each	40.00	-
5000 nos. (Previous Year 6176), 9.95% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with Kotak mahindra Bank Limited)	500.00	617.60
3,000 (Previous Year 3,000), 10.48% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with ICICI Bank Limited)	300.00	300.00
10,000 (Previous Year 10,000), 10.25% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with Kotak Mahindra Bank)*	-	1,000.00
7,500 (Previous Year 7,500), 9.75% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with HDFC Bank Limited)*	-	750.00
* Became secured	840.00	2,667.60
Term Loan		
- From Banks	2,684.95	2,723.87
Other Loans from Banks		
- Other Loans	-	-
- Liability component of compound financial instrument	36.96	34.64
Other Loans & Advances		
- 8% fully convertible bonds	-	-
- External Commercial Borrowings	92.47	201.46
- Others Loans	5.85	56.45
	3,660.23	5,684.02
Less current maturities under Other current financial liabilities	2,953.55	2,912.37
	706.68	2,771.65
	29,627.86	32,598.34

8B.Current financial liabilities-Borrowings ₹ crore

	Particulars	As at 31st December, 2017	As at 31st March,2017
	Secured		
i)	Term Loans		
	From Banks	695.69	562.64
ii)	Cash credit from banks *	4,281.86	4,618.70
iii)	Other Loans from Banks (Buyer's Credit)	251.79	657.04
		5,229.34	5,838.38
	Unsecured		
	- Term Loans		
	From Banks	1,462.31	1,518.69
	- From others	84.16	-
	- Loans from related parties	-	3.03
		1,546.47	1,521.72
		6,775.81	7,360.10

* Including working capital demand loans.

LODHA & CO. New Delhi Chartered Accountants

JINDAL STEEL & POWER LIMITED

9 **Fair value of financials assets and liabilities**

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

₹ crore

Particulars	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	As at December 31 , 2017		As at March 31 , 2017	
Financial Assets at amortised cost				
Investment (Non Current)	3.19	3.19	3.19	3.19
Fixed deposits with banks (Non Current)	19.10	19.10	36.81	36.81
Cash and bank balances	466.31	466.31	477.22	477.22
Trade and other receivables	1,797.66	1,797.66	1,716.62	1,716.62
Loans (non current)	86.98	86.98	91.24	91.24
Loans (current)	291.64	291.64	387.43	387.43
Other financial assets (Non Current)	268.93	268.93	508.85	508.85
Other financial assets (Current)	1,346.55	1,346.55	1,054.65	1,054.65
Financial Asset at fair value through profit or loss :				
Investment (Non Current)	126.88	126.88	126.88	126.88
Investment (Current)	0.28	0.28	0.38	0.38
Financial Liabilities at amortised cost				
Borrowings (Non Current)	29,627.86	29,627.86	32,598.34	32,598.34
Borrowings (Current)	6,775.81	6,775.81	7,360.10	7,360.10
Trade & other payables	3,965.24	3,965.24	3,028.70	3,028.70
Other financial liabilities (Non current)	376.69	376.69	673.21	673.21
Other financial liabilities (Current)	10,426.86	10,426.86	8,830.06	8,830.06
Financial Liabilities at fair value through profit or loss :				
Other financial liabilities- Derivatives	6.06	6.06	5.73	5.73

Fair value hierarchy

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

Level 1: Quoted prices/NAV (unadjusted) in active markets for identical assets and liabilities at the measurement date.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

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

Particulars	31.12.2017 Carrying Value	31.03.2017 Carrying Value	Levels	Valuation Techniques and Key Inputs
Financial Assets at amortised cost :				
Other financial assets	268.93	508.85	level 3	Discounted cash flow method
Investment	3.19	3.19	level 3	Discounted cash flow method
Loans	378.62	478.67	level 3	Discounted cash flow method
Financial Asset at fair value through profit or loss :				
Investment (Non Current)	126.88	126.88	level 3	Net Asset Value
Investment(Current)	-	-	level 1	Quoted market price
Financial Liabilities at amortised cost :				
Borrowings (Non Current)	29,627.86	32,598.34	level 3	Discounted cash flow method
Borrowings (Current)	6,775.81	7,360.10	level 3	Discounted cash flow method
Other financial liabilities (Non-Current)	376.69	673.21	level 3	Discounted cash flow method
Financial Liabilities at Fair value through profit or loss :				
Other financial liabilities- Derivatives	6.06	5.73	level 2	Forward foreign currency exchange rates, Interest Rates to discount future cash flow

JINDAL STEEL & POWER LIMITED

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10 Operating Segment Reporting

Information about segments

The Group is engaged primarily into manufacturing of Iron & steel products and power. The Company's primary segments as identified by management are Iron and steel products and Power. Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Chief Operating Officer of the Company (Chief operating decision maker).

Iron and steel products: Segment comprises of manufacturing of Steel products, sponge iron, pellets and castings.

Power: Segment comprises of business of power generation.

Others : it mainly comprises of aviation, real estate and machinery division.

The measurement principles for segment reporting are based on IND AS. Segment's performance is evaluated based on segment revenue and profit or loss from operating activities.

1. Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.
2. Finance income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting.
3. The total assets disclosed for each segment represent assets directly managed by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, intersegment assets and exclude derivative financial assets, deferred tax assets, income tax recoverable and capital work in progess related to ongoing projects.
4. Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities and derivative financial liabilities.
5. Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

₹ crore

S.No.	Particulars	Nine months ended 31st December,2017	Nine months ended 31st December,2016
1.	**Segment Revenue**		
	a) Iron and Steel	15,361.57	12,697.58
	b) Power	5,113.33	4,813.86
	c) Others	566.34	578.22
	Sub Total (gross) A	**21,041.24**	**18,089.66**
	Inter Segment Revenue	1,798.68	2,149.49
	Net Segment Revenue (A-B)	**19,242.56**	**15,940.17**
2.	**Segment Result(profit(+)Loss(-) before tax and interest from each segment)**		
	a) Iron and Steel	1,616.75	641.55
	b) Power	539.51	283.96
	c) Others	(441.34)	(265.70)
	Sub Total (gross)	**1,714.92**	**659.81**
	Less:		
	(i) Finance Cost (Net) (Interest, financial expenses and lease rent)	2,794.31	2,559.76
	(ii) Other un-allocable expenses(net of un-allocable income)	303.03	461.62
	(iii) Exceptional items	149.72	625.72
	Profit before tax	**(1,532.14)**	**(2,987.29)**

	Particulars	As at 31st December, 2017	As at 31st March, 2017
3.	**Segment Assets**		
	a) Iron and Steel	44,941.98	44,549.68
	b) Power	23,240.05	23,656.64
	c) Others	1,622.63	2,048.06
	d) Unallocated Assets*	19,546.20	20,343.55
	Total Assets	**89,350.87**	**90,597.93**
4.	**Segment Liabilities**		
	a) Iron and Steel	5,806.17	4,117.19
	b) Power	1,253.58	851.70
	c) Others	107.87	131.94
	d) Unallocated Liabilities	52,677.73	55,446.57
	Total Liabilities	**59,845.35**	**60,547.40**

* Unallocated assets include Capital work in progress relating to ongoing projects.

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11. Related Party disclosures as per Ind AS 24

A. List of Related Parties and Relationships

a) Associates

1 Nalwa Steel & Power Limited
2 Prodisyne (Pty) Limited
3 Thuthukani Coal (Pty) Limited

b) Joint Ventures

1 Jindal Synfuels Limited
2 Shresht Mining and Metals Private Limited
3 Urtan North Mining Private Limited

c) Other Significant Influences

1 OPJ Trading Private Limited

d) Key Managerial Person

1 Shri Naveen Jindal (Chairman)
2 Shri Ravi Uppal (Managing Director & Group CEO till 30 Sep 2016)
3 Shri D.K. Saraogi (Wholetime Director)
4 Shri Rajeev Bhadauria (Wholetime Director)
5 Shri Deepak Sogani (Chief Financial Officer w.e.f 19 Dec 2017)
6 Shri Rajesh Bhatia (Chief Financial Officer w.e.f 22 Nov 2016 till 27 June 2017)
7 Shri K Rajagopal (Group Chief Financial Officer till 21 Nov 2016)
8 Shri Murli Manohar Purohit (Company Secretary w.e.f 10 Oct 2016 till 31 May 2017)
9 Shri Jagdish Patra (Company Secretary till 11 Jul 2016 & again appointed w.e.f. 26 June 2017)

e) Enterprises over which Key Management Personnel and their relatives excercise significant influence and with whom transactions have taken place during the year

1 Jindal Stainless Ltd
2 Bir Plantation Limited
3 India Flysafe Aviation Limited
4 Minerals Management Service (India) Pvt. Ltd.
5 Jindal Saw Limited
6 JSW Steel Limited
7 Rohit Tower Building Limited
8 JSW Energy Limited
9 JSW Projects Limited
10 JSW Steel Coated Product Ltd.
11 JSW Severfield Structures Ltd.
12 Jindal Coke Ltd.
13 Jindal Stainless (Hissar) Ltd.
14 JSW International Trade Corp. Pte Ltd.
15 JSW Cement Ltd.
16 Jindal Realty Private Limtied (Upto 30 March 2017, subsidiary wef 31 March 2017)
17 Jindal Infosolutions Ltd.
18 Action Infrastructure Private Limited
19 Beau Green RealEstate Private Limited
20 Bhiwani Builders Private Limited
21 Bahadurgarh Townships Pvt Ltd
22 Green City Infrastructures Pvt. Ltd.
23 Jaandar Builders Pvt. Ltd.
24 Jagran Developers Pvt Ltd
25 Karnal Buildtech Pvt. Ltd.
26 Kufri Buildcon Pvt. Ltd.
27 Mount Abu Buildwell Pvt. Ltd.
28 Nainital Buildcon Pvt. Ltd.
29 Nainital Buildtech Pvt. Ltd.
30 Orissa Infrastructure Pvt. Ltd.
31 Rajkot Buildwell Pvt. Ltd.
32 Rohtak Townships Pvt. Ltd.
33 Specular Buildmart Pvt. Ltd.
34 Synergry Buildhome Pvt. Ltd.

f) Post-Employment Benefit entity

1 Jindal Steel & Power Ltd EPF Trust

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JINDAL STEEL & POWER LIMITED

NOTES FORMING PART OF THE UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

B. Transaction with Related Parties

(₹ crore)

Description	Joint Ventire		Associates		Key management Personnel		Enterprises controlled by key management personnel & their relatives	
	Nine months ended 31st Dec 2017	Nine months ended 31st Dec 2016	Nine months ended 31st Dec 2017	Nine months ended 31st Dec 2016	Nine months ended 31st Dec 2017	Nine months ended 31st Dec 2016	Nine months ended 31st Dec 2017	Nine months ended 31st Dec 2016
Purchase of goods/services(incl capital goods)*			316.35	146.86			580.57	196.81
Sale of goods/ scrap (incl capital goods)*			242.79	22.65			504.92	346.35
Sale/ Transfer of Land due to delicencing							2.81	-
Rendering of services							0.01	0.05
Investment in equity shares/preference shares								
Adv Against Share/ Debenture Application Money								
Investment in debenture								
Other advances given/(taken)	-	0.18	-	(250.00)	0.12	0.05	(35.70)	(362.90)
Loan given/(taken)	-	(1.65)	(28.29)	-				
Other advances repaid back					0.56	2.22		
Excess remuneration recovered								
Allotment of equity shares								
Rent & other expenses paid			0.53	1.18			0.94	0.72
Interest Income/ (expenses/net)							(32.31)	0.82
Security deposit received/(given)								
Remuneration					17.56	16.17		
Coraporate guarantee given/taken/extinguished)#**								
Inter corporate deposit (given)**								
Inter coporate deposit repaid/adjusted							14.56	-
Advanced received for sale of fixed assets								

(₹ in crore)

Particulars	Joint Venture		Associates		Key management Personnel		Enterprises controlled by key management personnel & their relatives	
	31st December 2017	31st March 2017	31st December 2017	31st March 2017	31st December 2017	31st March 2017	31st December 2017	31st March 2017
Outstanding balance as at								
Inter Corporate deposit (ICD) taken/(Given)						-	(27.48)	(42.04)
Guarantee outstanding **	16.50	16.50				-	0.25	0.25
Guarantee outstanding(given by others on behalf of the company)			(31.00)	(31.00)		-		-
Advance/security deposit paid						-	8.50	8.50
Loans & advance(including interest)					0.10	0.54	69.41	69.41
Advance for Sale of Power Plant						-	403.90	373.00
Security deposit receipt						-		-
Advanced against share application	0.18	0.18				-		-
Investment in equity shares/debentures			2.00	2.00		-		-
Other Advance received			(164.87)	(250.00)		-		-
Outstanding liabilities						-		-
Salary payable					0.39	0.24		-
Interest receivable							58.04	55.30
Debtors- Dr balance			59.23	-		-	39.10	69.88
Debtors- Cr balance						-	3.56	0.61
Creditors Dr balance			-	-		-	13.03	12.68
Creditors Cr balance			48.36	-		-	15.74	15.20

*Figures are inculusive of taxes & other expenses

** includes foreign currency gain &loss

amount of guarantee given is restricted to actual uitlisation of limits including interest.

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NOTES FORMING PART OF THE UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

Material transactions with Associates & Joint Ventures

₹ crore

Name of the related party	Nine Months ended	Nalwa steel power limited	Urtan North Mining Corporation Ltd
Relationship		**Associate**	**Joint Venture**
Purchase of goods/services(inc capital goods)*	31st Dec 2017	316.35	
	31st Dec 2016	146.86	
Sales of goods/scrap (inc capital goods)*	31st Dec 2017	242.79	
	31st Dec 2016	22.65	
Rendering of services	31st Dec 2017		-
	31st Dec 2016		
Investment in equity shares/preferance shares	31st Dec 2017		
	31st Dec 2016		
ADV AGAINST SHARE/ DEBENTURE APPLICATION MONEY	31st Dec 2017		
	31st Dec 2016		
Investment in debentures	31st Dec 2017		
	31st Dec 2016		
Other advances given /(taken)	31st Dec 2017	-	-
	31st Dec 2016	(250.00)	0.18
Loan given/(Taken)	31st Dec 2017	(28.29)	-
	31st Dec 2016	-	(1.65)
Rent & other expenses	31st Dec 2017	0.53	
	31st Dec 2016	1.18	
Interest income	31st Dec 2017		
	31st Dec 2016		
Interest expenses	31st Dec 2017		
	31st Dec 2016		
Loan received/(Repaid)	31st Dec 2017		
	31st Dec 2016		
Coroporate guarantee given (taken) (extinguished)**	31st Dec 2017		
	31st Dec 2016		
Inter corporate deposit given**	31st Dec 2017		
	31st Dec 2016		
Inter corporate deposit repaid/adjusted	31st Dec 2017		
	31st Dec 2016		
Advance received for sale of fixed assets	31st Dec 2017		
	31st Dec 2016		

*figures are inclusive of taxes & other expenses reimbursed

** includes foreign currency gain or loss

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NOTES FORMING PART OF THE UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

Material transactions with Enterprises controlled by Key management Personnel

₹ crore

Name Of Related Party	Nine Months ended	JSW Steel Ltd. Mumbai/ Bellary	JSW Energy Limited	Jindal Saw Limited	Jindal Stainless Ltd.	Jindal Realty Pvt. Ltd.	Jindal Coke Ltd.	Jindal Stainless (Hissar) Ltd.	Minerals Management Service (India) Pvt. Ltd.	Bir Plantation Pvt. Ltd.	Rohit Towers Pvt. Ltd.	JSW Steel Coated Product Ltd.	JSW Projects Ltd.	JSW Cement Ltd.	JSW International Trade Corp. Pte Ltd.	JSW Severfield Structures Ltd.	India Flysafe Aviation Limited
Purchase of Goods/Services(Inc Capital goods)*	31st Dec 2017	0.37		0.78	84.34		121.24	0.01				5.22			316.45		52.15
	31st Dec 2016	4.93		3.78	126.65		-	0.10				6.65			-		53.35
Sales Of Goods/ scrap (Inc Capital goods)*	31st Dec 2017	33.91		404.64	14.08	-			-			1.73	0.42	5.09		45.05	
	31st Dec 2016	70.00		161.33	4.87	0.54			0.02			0.03	0.37	-		68.83	
Rendering of services	31st Dec 2017		0.03	-													
	31st Dec 2016		-	0.05													
Other advances given/(taken)	31st Dec 2017		(30.90)														
	31st Dec 2016		(162.90)														
Rent and Other Expense	31st Dec 2017				0.43					0.11	0.43						
	31st Dec 2016				0.40					0.05	0.27						
Interest income/(expenses)	31st Dec 2017		(15.97)														
	31st Dec 2016		(3.07)														
Inter corporate deposits repaid/ adjusted	31st Dec 2017																
	31st Dec 2016																

*Figures are inclusive of taxes & other expenses reimbursed

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Material transactions with Enterprises controlled by Key management Personnel

₹ crore

Name Of Related Party	Nine Months ended	Action Infrastructure Private Limited	Beau Green RealEstate Private Limited	Bhiwani Builders Private Limited	Bahadurgarh Townships Pvt Ltd	Green City Infrastructures Pvt. Ltd.	Jaandar Builders Pvt. Ltd.	Jagran Developers Pvt Ltd	Karnal Buildtech Pvt. Ltd.	Jindal Infosolution Ltd.
Purchase of Goods/Services(Inc Capital goods)*	31st Dec 2017									-
	31st Dec 2016									1.29
Sales Of Goods/ scrap (Inc Capital goods)*	31st Dec 2017									
	31st Dec 2016									
Sale/ Transfer of Land due to delicencing	31st Dec 2017	2.14					0.67			
	31st Dec 2016	-					-			
Rendering of services	31st Dec 2017									
	31st Dec 2016									
Other advances given/(taken)	31st Dec 2017	(4.37)	(0.15)	0.02	(0.25)	0.00	(1.46)	1.01	(0.31)	
	31st Dec 2016	-	-	-	-	-	-	-	-	
Rent and Other Expense	31st Dec 2017									
	31st Dec 2016									
Interest Income/(expenses)	31st Dec 2017							2.74		
	31st Dec 2016							2.74		
Inter corporate deposits repaid/ adjusted	31st Dec 2017									
	31st Dec 2016									

Material transactions with Enterprises controlled by Key management Personnel

₹ crore

Name Of Related Party	Nine Months ended	Kufri Buildcon Pvt. Ltd.	Mount Abu Buildwell Pvt. Ltd.	Nainital Buildcon Pvt. Ltd.	Nainital Buildtech Pvt. Ltd.	Drissa Infrastructure Pvt. Ltd.	Rajkot Buildwell Pvt. Ltd.	Rohtak Townships Pvt. Ltd.	Specular Buildmart Pvt. Ltd.	Synergry Buildhome Pvt. Ltd.
Purchase of Goods/Services(Inc Capital goods)*	31st Dec 2017									
	31st Dec 2016									
Sales Of Goods/ scrap (Inc Capital goods)*	31st Dec 2017									
	31st Dec 2016									
Sale/ Transfer of Land due to delicencing	31st Dec 2017									
	31st Dec 2016									
Rendering of services	31st Dec 2017									
	31st Dec 2016									
Other advances given/(taken)	31st Dec 2017	(0.39)	0.00	(0.07)	0.00	0.00	0.00	1.15	0.00	0.00
	31st Dec 2016	-	-	-	-	-	-	-	-	-
Rent and Other Expense	31st Dec 2017									
	31st Dec 2016									
Interest Income/(expenses)	31st Dec 2017									0.92
	31st Dec 2016									1.15
Inter corporate deposits repaid/ adjusted	31st Dec 2017									14.56
	31st Dec 2016									-

*figures are inclusive of taxes & other expenses reimbursed

Compensation to Key Management Personnels for each of the following categories

₹ crore

Particulars	Nine months ended 31st Dec 2017	Nine months ended 31st Dec 2016*
Short term benefits	16.31	14.91
Post employment benefits		
- Defined Contribution Plan	1.25	1.26
Share based payments		-
Total	**17.56**	**16.17**

Note: Remuneration paid/payable to Chairman & WTDs are subject to necessary regulatory approvals.

*excess paid since recovered

Jindal Steel & Power Ltd EPF Trust

₹ crore

Particulars	Nine months ended 31st Dec 2017	Nine months ended 31st Dec 2016
Provident fund contribution	11.83	12.59

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JINDAL STEEL & POWER LIMITED
NOTES FORMING PART OF THE UNAUDITED SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

12 The Hon'ble Supreme Court of India by its Order dated 24 September 2014 cancelled number of coal blocks allocated to the Company by Ministry of Coal, Government of India and directed to pay an additional levy of ₹ 295 per MT on gross coal extracted. The Company and one of it's subsidiaries have paid under protest such levy on coal extracted during the period from 1993 to 31 March 2015 of ₹ 2,082.23 crore(₹ 3,267.43 crore including a subsidiary). The management based on legal opinion has charged to the statement of profit and loss ,as exceptional item during the year 2014-15 for ₹ 807.77 Crore (₹ 1,911.64 crore including a subsidiary) computed on net extraction (run of mines less shale, rejects and ungraded middling) of coal by the Company. The balance amount of ₹ 1,274.46 crore(₹ 1,355.79 crore including a subsidiary) has been shown as recoverable from the Government Authority since the entire amount of additional levy has been paid under protest.

13 The Company has net book value of investment made in mining assets including land, infrastructure and clearance etc. of ₹ 425 crore (₹ 608.58 crore including a subsidiary) and filed claim for the same pursuant to directive vide letter dated 26 December, 2014 given by the Ministry of Coal on such mines . Meanwhile the Ministry of Coal has made interim payment to the Company of ₹ 22.72 crore towards the same. Pending final settlement of the aforesaid claim, this amount has been accounted for as advance.

14 a) As per Power Purchase Agreement with Tamilnadu State Electricity Board (TNSEB), one of the subsidiaries has filed petition before Hon'ble CERC for tariff impact due to change of law as per contract and accounted revenue of ₹ 57.06 Cr during the year till 31st December,2017.(Previous Year till December, 2016 ₹ 107.07 Cr).

b) As per the interim order of the CERC the transmission income has been accounted for in respect of 400 KV JPL Tamnar - Raipur DC line (along with 400 KV bays, 2 no. 315 MVA transformers etc.) @ ₹ 45.44 Cr per annum and realized the same from Power Grid Corporation India Limited (PGCIL). During the period, in terms of section 61 & 62 of the Electricity Act 2003 and Regulation 79(1)(a) of the Central Electricity Regulation Commission (Terms & condition of Tariff) Regulations 2009, the CERC vide its order dated 18.12.2015 has reduced & restricted transmission charges payable to the one of the subsidiaries for the period ended till 31st December 2017 to ₹ 124 Cr & ₹ 105.21 Cr till December, 2016 (against the revenue claimed and accounted for by the one of the subsidiaries amounting to ₹ 303.66 Cr & ₹ 258.91 Cr till December 2016). The one of the subsidiaries has challenged the order of CERC by filing petition in Appellate tribunal which is pending for the decision. Pending decision, no effect have been given in this regard and the one of the subsidiaries continue its practice to account for the income as per past based on the interim order of CERC.

15 One of the step down subsidiaries has entered into development agreement(s) with various companies for development of land. Pursuant to said agreement the company has advanced ₹ 388.75 crore as on 31st December, 2017 (₹ 393.85 crore as on 31st March, 2017) to these various company as interest free advances.

16 Unaudited Special Purpose Interim Condensed Consolidated Financial Statements include results of one overseas subsidiary which is based on unaudited financial statements having revenue of ₹ 8.12 crore during the nine months ended 31 December, 2017 and assets of ₹ 3669.08 crore as at 31st December, 2017.

17 Subject to customary regulatory approvals and other conditions precedent(s), the Board of Directors at its meeting held on 3rd May,2016 has approved the agreement for divestment of 1,000 MW Power unit of Jindal Power Limited (a subsidiary of the Company (JPL)), located in Chhattisgarh into a separate purpose vehicle (SPV), for the purpose of transfering the same to JSW Energy Limited through sale of the entire share capital and other securities of the aforesaid entity in terms of the share purchase agreement for an enterprise value of ₹ 6,500 Crores plus the value of Net Current Assets as on the Closing Date. The valuation may vary based upon the achievement of PPA's before the closing date 30th June, 2018 and as prescribed in the Agreement subject to minimum of ₹ 4,000 crore plus the value of Net Current Assets as on the Closing Date.The Company has received advance of ₹ 403.90 Crore from JSW Energy against the same.

In order to streamline cash flows of the group and create SPV amenable for, the Board of Directors of the Company and JPL have in principle approved the restructuring involving parent Company and JPL and formed a committee of directors ("Restructuring Committee"), to explore and evaluate various restructuring options available including a scheme of arrangement. The restructuring will entail that 1000 MW Power Plant owned by JPL is hived off into an separate purpose vehicle, being subsidiary of the parent company, creation of other SPV amenable for monetization by way of divestments as well as achieve better synergy across the parent company and its subsidiaries, and to ensure that the businesses of these entities are operated in the most efficient and cost effective manner, including by pooling of technical, distribution and marketing skills, creating optimal utilisation of resources, better administration and cost reduction. Upon completion of evaluation of the possible arrangement options, the Restructuring Committee is to submit its recommendations to the Board of Directors and to such other committee(s) of the Board, including the Audit Committee, shareholders as may be required by applicable laws.

18 During the previous financial year, the Board of Directors of the Holding Company approved sale of certain captive power plants (CPP) to Jindal Power Limited (JPL) a subsidiary company situated at Angul, Odisha (6x135 MW) and at Raigarh, Chattisgarh (2x55 MW) aggregating to 920 MW at a fair market value determined by independent valuer appointed by the Board of Directors amounting to ₹ 5,275 crore; which is subject to necessary approvals to be arranged by the Holding Company. The Holding Company has received interest free advance against above of ₹ 2,854 crore.

19 Balances of certain advances,creditors and receivables are in process of confirmantion/reconciliation.

20 Hon'ble Supreme Court of India, in its judgement in March 2017 has upheld constitutional validity of entry tax levied by the different State Governments and referred the same to divisional/ regular benches for testing and determination of validity of state legislation vis a vis the Article 304 (a) of the constitution and left open levy of entry tax on goods entering the landmass of India from another country to be determined in appropriate proceedings. Full provision amouting to ₹ 47.75 Cr has been made in this regard except in case of import of goods from outside India, where part amount (₹ 56.47 Crore) of entry tax has been deposited (shown under loans and advances) based on the Order of High Court in other assessee's case and as advised by an expert (against amount calculated till 31.12.2017 of ₹ 115.24 Crore).

The Hon'ble Supreme Court of India, further to its judgement as stated above, has decided appeal in favor of State Governmant vide its Order dated 09.10.2017 that the imported goods are not exempted from entry tax.

Management is in process of exploring further course of action.

21 On account of substantial investment made by the Company in setting up/ expansion of industrial unit(s) at Raigarh (Chhattisgarh), including investment in acquisition of capital assets, one of the Company's unit is eligible for sales tax exemption under the State Industrial Policy which aims towards industrialization of the State and development of backward areas. The Company had earlier treated the amount relating to sales tax exemption as capital receipt and credited the same to "Sales tax subsidy / Capital reserve" shown under the head "Reserve and Surplus" upto the Financial year ended 31st March, 2015. However, in the year ended 31st March, 2016, the Company had, in view of amendment in the Income tax laws and applicability of Ind AS with effect from 1st April, 2016, credited a sum of ₹ 35.12 crore to sales in the statement of profit and loss. Considering the above, the Company had decided to transfer the accumulated balance of ₹ 316.70 crore appearing under "Sales tax subsidy / Capital Reserve" under the head "Reserve and Surplus" as at 31st March,2016 to the statement of profit and loss during the previous year 2016-17. Accordingly, during the nine months ended 31st Dec 2016 ₹ 237.53 crore as stated has been credited to and considered as part of "other operating revenue" and loss before tax for the nine months ended 31st Dec 2016 is lower to that extent.

22 The Nomination & Remuneration Committee of the Board of Directors had, in its meeting held on January 5, 2018, approved the grant of 51,21,735 Options convertible into equal number of equity shares of the Company, to the eligible employees under JSPL ESOP PLAN 2017, at an exercise price of ₹ 244.55 per option. The vesting period of the aforesaid options are not less than one year and not more than 3 years from the date grant .

23 Effective 1st July, 2017, sales are recorded net of GST whereas earlier sales were recorded gross of excise duty which formed part of expenses. Hence, revenue from operation for nine months ended 31st December, 2017 are not comparable with previous period corresponding figures.

24 Comparative figures have been regrouped/ rearranged / recast, wherever considered necessary to conform to current period's classification. Figures less than ₹ 50,000 have been shown as absolute number.

25 Notes 1 to 25 are annexed to and form an integral part of these Unaudited Special Purpose Interim Condensed Consolidated Financial Statements.

As per our report of even date

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

N.K Lodha
Partner
Membership No. 85155

Place New Delhi
Date: 20th March, 2018

For & on behalf of the Board of Directors

Naveen Jindal
Chairman
DIN: 00001523

Rajeev R. Bhadauria
Whole Time Director
DIN: 00376562

Deepak Sogani
Chief Financial Officer

Jagadish Patra
Company Secretary

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