

JINDAL DRILLING & INDUSTRIES LTD.

CORPORATE OFFICE : PLOT NO. 30, INSTITUTIONAL SECTOR-44, GURGAON-122 002 HARYANA (INDIA)
TEL : +91-124-4624000, 2574326, 2574620 • FAX : +91-124-2574327, 4624215
E-mail : contacts@jindaldrilling.in Website : www.jindal.com
CIN : L27201MH1983PLC233813

E-Communication

JDIL/SECT/19/

August 30, 2019

BSE Ltd
25th Floor, P.J. Towers,
Dalal Street, Mumbai-400 001
Security Code: 511034

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051
Security Code: JINDRILL

Sub: Annual Report for the financial year ended 31st March, 2019.

Dear Sirs,

This is further to our letter dated 27th August, 2019 wherein the Company had informed that the Annual General Meeting of the Company is scheduled to be held on 24th September, 2019.

The Company will provide to its members the facility to cast their vote(s) on all resolutions set out in the Notice by electronic means ("e-voting"). The Remote e-voting Details are given below:

Cut-off Date for ascertaining list of shareholder for remote e-voting	17 th September, 2019
Remote e-voting Start date with time	Saturday, 21 st September, 2019 (9.00 A.M)
Remote e-voting End date with time	Monday, 23 rd September, 2019 (5.00 P.M)
Date of AGM	Tuesday, 24 th September, 2019

In terms of the requirements of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit copy of Annual Report including Notice of AGM.

You are requested to kindly take the same on record.

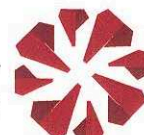
Thanking you,

For Jindal Drilling & Industries Limited



Saurabh Agrawal
Company Secretary

JINDAL
D.F. JINDAL GROUP



IADC
MEMBER

OPERATIONS OFFICE : 3RD FLOOR, KESHAVA BUILDING, BANDRA - KURLA COMPLEX, BANDRA (EAST), MUMBAI - 400 051
TEL : +91-22-26592889, 26592892, 26592894 • FAX : +91-22-26592630

REGD. OFFICE : PIPE NAGAR, VILLAGE- SUKELI , N.H. 17, B.K.G. ROAD, TALUKA ROHA, DISTT. RAIGAD - 402126 (MAHARASHTRA)
TEL : +91-02194-238511, 238512, 238567, 238569 • FAX : +91-02194-238513

MEMBER : INTERNATIONAL ASSOCIATION OF DRILLING CONTRACTORS, HOUSTON, TEXAS, USA

ANNUAL REPORT 2018-19

**BUOYANT
HOPES
PROMISING
FUTURE**



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Chairman's Statement



D.P. JINDAL

Chairman

Dear Shareholders,

“Faith is the bird that feels the light when the dawn is still dark” Quote by Rabindranath Tagore.

Upstream Oil sector continues to experience uncertainties and difficulties. However, in the current year, our hopes are buoyant and the scenario for the sector shows promising trends.

This year JDIL has won ONGC contracts for three rigs. Rig 'Discovery-I' commenced operation under ONGC Contract in July '19. Two more rigs 'Virtue - I' and 'Jindal Star' have been awarded contracts for three years. These rigs will commence operations post monsoon 2019.

Rig 'Jindal Pioneer' has been given on a three year bare boat charter to SAIPEM, Mexico thus making an international imprint for D P Jindal Group. We are expecting a decent fixture for Jindal Supreme soon. So, by the end of this year, the entire fleet would be toiling to earn revenue for the company.

Jindal Drilling continues to review the value chain in every step of the operation process while not compromising on safety standards required by international and national industry norms.

JDIL is actively looking out to expand business internationally and explore new jack up rig and Directional Drilling contracts outside India in the coming year.

With respect to Directional Drilling, the market shows an optimistic outlook. The mud logging business continues to operate in full swing with 5 years long term contract for 22 units from ONGC.

Continuous support and firm belief of all our employees has helped JDIL sail through the rough patch.

I express my sincere gratitude to all the Board Members and assure our valued share holders that, we shall remain aggressively profitable and maintain our position as a favoured drilling contractor.

Thanking you,

D. P. JINDAL

Message from Managing Director



Raghav Jindal
Managing Director

Dear Shareholders,

I wish to take this opportunity to thank you for your continuous support and commitment.

Over the past year, the oil and gas drilling industry has shown signs of improvement but volatility at large has continued to affect our business. Nevertheless, we have surged forward by adding another rig and more mud logging units to our operations. We continue to play to our core strengths which are efficient operations, quick turnaround times for implementing changes, adhering to highest level of safety standards and controlling costs. We will continue to expand our operations without compromising on our efficiency.

Our role as a leading player in oil & gas exploration services requires close attention to four essential strategic and tactical facets of this business.

1. Create a strategic identity based on our inherent capabilities and a vision for how those capabilities can best be employed in the energy sector in the coming decades.
2. Realign portfolios to focus on strengths and new growth areas.
3. Invest in agility through digital innovation.
4. Cultivate and hire the right talent

I take pride in informing you that the senior management of the company ably supported by crew members and other essential staff continue to drive the organisation forward despite tremendous challenges from various fronts. The growth prospects envisaged are promising considering the challenges but I am confident that we will surge ahead in due course of time.

Thanking you,

Raghav Jindal

BOARD OF DIRECTORS

D. P. Jindal Chairman
Raghav Jindal Managing Director
K. K. Khandelwal
Vijay Kaushik
Saroj Bhartia

AUDIT COMMITTEE

K. K. Khandelwal Chairman
D. P. Jindal
Vijay Kaushik

CFO

Pawan Kumar Rustagi

COMPANY SECRETARY

Saurabh Agrawal

AUDITORS

Kanodia Sanyal & Associates
Chartered Accountants
New Delhi

BANKERS

State Bank of India
Standard Chartered Bank
ICICI Bank Limited

REGISTERED OFFICE

Pipe Nagar, Village Sukeli, N.H. 17, B.K.G. Road,
Taluka-Roha, Distt. Raigad, Maharashtra - 402126

CORPORATE OFFICE

Plot No. 30, Institutional Sector-44
Gurgaon-122 002, Haryana

HEAD OFFICE

2nd Floor, 5 Pusa Road, New Delhi-110 005

MUMBAI OFFICE

3rd Floor, Keshava Building,
Bandra Kurla Complex,
Bandra (East), Mumbai-400 051

OFFSHORE DRILLING

Rigs and Directional Drilling Equipments operating in Mumbai Offshore.
Mud-logging operations Onshore & Offshore.



Member: International Association of Drilling Contractors, Houston, Texas, USA

DIRECTORS' REPORT

To the Members,

Your Directors present the 35th Annual Report along with Audited Financial Statements of the Company for the year ended 31st March, 2019.

FINANCIAL RESULTS

	2018-19	2017-18
Revenue	<u>207.39</u>	148.94
Other Income	<u>53.92</u>	44.81
Total Income	<u>261.31</u>	193.75
Expenditure	<u>-212.04</u>	-212.4
Interest	<u>-12.55</u>	-2.93
Profit Before Depreciation & Tax	<u>49.27</u>	-18.65
Depreciation	<u>-8.94</u>	-9.18
Profit Before Tax	<u>40.33</u>	-27.83
Income Tax	<u>-6.22</u>	12.35
Net Profit	<u>34.11</u>	-15.48

RESULTS OF OPERATIONS

Total income of the Company during the year was ₹ 261.31 crore as against ₹ 193.75 crore in the previous year. The Company earned profit of ₹ 40.33 crore as against loss of ₹ 27.83 crore in the previous year and net profit of ₹ 34.11 crore as against net loss of ₹ 15.47 crore in the previous year.

During the year Company operated 2 Jackup Rigs, 6 Directional Drilling sets (on average basis) and 22 Mud Logging units.

FUTURE OUTLOOK

During the year, the Company purchased a Jack-up Rig "Discovery-I" at the cost of USD 75 Million from its Joint Venture Company Discovery Drilling Pte. Ltd.

DIVIDEND

Your Directors are pleased to recommend dividend of ₹ 0.50/- (i.e. 10%) per equity share of ₹ 5/- each, for the year ended 31st March, 2019, subject to the approval of the members at the ensuing Annual General Meeting.

TRANSFER TO RESERVES

During the year, no amount is proposed to be transferred to the General Reserves.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 the Company has prepared Consolidated Financial Statements as per Indian Accounting Standard Ind AS- 110 on Consolidated Financial Statements read with Ind AS- 27 on Interest in Joint Ventures. The Audited Consolidated Financial Statements along with Auditors' Report thereon forms part of this Annual Report.

JOINT VENTURE COMPANIES

Your Company has two Joint Venture Companies namely, Discovery Drilling Pte. Ltd.(DDPL), Singapore and Virtue Drilling Pte. Limited (VDPL), Singapore.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Dharam Pal Jindal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors has appointed Shri Raghav Jindal as Managing Director of the Company for the period of 5 years w.e.f. 13th August, 2018.

During the year, Shri Rajeev Ranjan, Company Secretary and Compliance Officer had resigned with effect from 21st November, 2018.

Shri Saurabh Agrawal has been appointed as a Company Secretary of the Company with effect from 10th April, 2019.

Pursuant to regulation 17(1A) of the SEBI (LODR) regulations, the shareholder passed a special resolution at the 34th AGM to continue the directorship held by Mr. K.K. Khandelwal who had attained the age of over 75 years.

In terms of the requirements of the Companies Act, 2013, the Independent Directors of the Company were appointed for a period of five years on September 26, 2014. Such term of appointment of the Independent Directors shall come to an end on September 25, 2019. In view of the same, the Board of Directors have, on the basis of recommendation of the Nomination and Remuneration Committee, proposed to re-appoint Mr. Krishna Kumar Khandelwal, Mr. Vijay Kumar Kaushik and Mrs. Saroj Bhartia as the Independent Directors of the Company for a second term. A resolution proposing re-appointment of Independent Directors of the Company for the second term pursuant to Section 149(6) of the Companies Act, 2013 forms part of the Notice of Annual General Meeting.

Mr. Krishna Kumar Khandelwal has attained the age of 85 years. A resolution under item no 4 of the AGM notice shall also be deemed as under the Listing Regulations 2015, for continuation of Mr. Krishna Kumar Khandelwal as Independent Directors beyond the age of seventy five years.

Brief resume of Independent Directors who are proposed to be appointed/ re-appointed is furnished in the notice of Annual General Meeting.

All Independent Directors of the Company have given declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Shri Radhey Shyam Gupta, Chief Executive Officer and Shri Pawan Kumar Rustagi, Chief Financial Officer as on March 31, 2019.

BOARD MEETINGS

During the year 2018-19, 4 (Four) meetings of the Board of Directors were held. The details of meetings are given in the Corporate Governance Report, which forms part of this report.

BOARD EVALUATION

The Board of Directors has carried out the Annual performance evaluation of its own, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all Directors on the basis of the criteria such as Board composition and structures, effectiveness of Board processes, information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as composition of Committees, effectiveness of Committee meetings etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as contribution of the Individual Director to the Board and Committee meetings.

Also in a separate meeting of Independent Directors, performance of Non-Independent Directors, Board as a whole and the chairman was evaluated, taking into account the views of Executive and Non-Executive Directors. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the Corporate Governance report, which forms part of the Directors' Report.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF Authority after the completion of 7 years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred unpaid/ unclaimed dividend for the FY 2010-11 along with relevant shares to the Investor Education and Protection Fund (IEPF). The details are also available on the website of the Company www.jindal.com

RISK MANAGEMENT

Adequate measures have been adopted by the Company to anticipate, plan and mitigate the spectrum of risks it faces. All working sites are analyzed to minimize risks associated with protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines. Improving work place safety continued to be top priority at working site. The Company's business operations are exposed to a variety of financial risks such as market risks (foreign exchange risk, internal rate risk and price risk), Liquidity risk etc.

The Board has approved the Risk Management Policy of the Company and authorized the Audit Committee to implement and monitor the Risk Management plan for the Company and also identify and mitigate the various elements of risks, if any, which in the opinion of the Board may threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS

As per the provisions of Section 134(5)(e) of the Companies Act, 2013 the Company has in place adequate Internal Financial Controls with reference to the Financial Statements. Audit Committee periodically reviews the adequacy of internal financial controls.

During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, your Directors state:

- (i) that in the preparation of the Annual Accounts for the year ended 31st March, 2019, the applicable accounting standards had been followed and there are no material departures;
- (ii) that the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the loss of the Company for that period;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Annual Accounts for the year ended 31st March, 2019 have been prepared on a going concern basis.
- (v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) that the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

As required under Section 92(3) of the Companies Act, 2013 the extract of the Annual Return in the prescribed form MGT-9 is annexed with this Report.

AUDIT COMMITTEE

The Audit Committee of the Company consists of Shri K. K. Khandelwal, Chairman, Shri D. P. Jindal and Shri Vijay Kaushik as its other members. The terms of reference are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Part C of Schedule II of SEBI (LODR) regulations, 2015.

VIGIL MECHANISM

The Company has adopted a Whistle blower policy and has established the necessary Vigil Mechanism for Directors and employees to report concerns about unethical behavior; actual or suspected fraud or violation of the Company's Code of conduct. The said policy has been disclosed on the Company's website under the web link <http://jindal.com/jdil/pdf/Vigil-Mechanism-JDIL.pdf>

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities, which has been approved by the Board. The CSR Policy may be accessed on the website of the Company.

The Annual Report on CSR activities in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as Annexure to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in note no. 39 of the notes forming part of the Standalone Financial Statements of the Company.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/transactions entered into by the Company with the related parties during the year were in the ordinary course of business and on an arm's length basis.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are appended in Form AOC-2 as Annexure to this Report.

CORPORATE GOVERNANCE REPORT

Corporate Governance Report along with Auditors' Certificate complying with the conditions of Corporate Governance as stipulated in Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been annexed as a part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report which forms part of this Annual Report.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted an Internal Complaint Committee under Section 4 of the Sexual Harassment of Women at Workplace (Preventions, Prohibition and Redressal) Act, 2013. Mr. Rajeev Ranjan has relinquished from the member of such committee during the year. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:

- a. number of complaints filed during the financial year-NIL
- b. number of complaints disposed of during the financial year-NIL
- c. number of complaints pending as on end of the financial year-NIL

AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, M/s Kanodia Sanyal & Associates, Chartered Accountants; (FRN-008396N), were appointed as Statutory Auditors of the Company from the conclusion of 33rd Annual General Meeting of the Company until the conclusion of 38th Annual General Meeting.

The observations of the Auditors are explained wherever necessary in the appropriate Notes on Accounts. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively have been duly followed by the Company.

SECRETARIAL AUDIT

The Board has appointed Mr. Namo Narain Agarwal, (FCS No. 234) Company Secretary in practice to conduct Secretarial Audit for the financial year ended 31st March, 2019. The Secretarial Audit Report for the year ended 31st March, 2019 is annexed herewith as an annexure to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the financial year 2018-19 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

FIXED DEPOSITS

The Company has not accepted any deposits from Public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Companies Act, 2013 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is annexed hereto.

PARTICULARS OF EMPLOYEES

Particulars of employees, as required under Section 197(12) of the Companies Act, 2013 (Act) read with Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed with this report.

COST RECORDS

The maintenance of cost records, as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 is not required by the Company and accordingly such accounts and records are not being maintained.

MATERIAL CHANGES & COMMITMENTS

The disclosure for Material changes and commitments, affecting the financial position of the Company are disclosed in Note No. 37 of the notes forming part of the Standalone Financial Statements of the Company.

ACKNOWLEDGEMENT

The Board expresses its grateful appreciation of the assistance and co-operation received from Central and State Governments, Clients viz. ONGCL, Oil India, GAIL, GSPC, Banks & Financial Institutions and Shareholders.

Your Directors wish to place on record their deep sense of appreciation for the devoted contribution made by the employees and associates at all levels.

For & on behalf of the Board of Directors

Place : Gurugram

Dated : 7th August, 2019

D. P. JINDAL
Chairman

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014 FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2019

A. CONSERVATION OF ENERGY

a) **Steps taken or impact on conservation of energy:**

- Since the Company has not undertaken any production activity, hence not applicable.

b) **Steps taken by the Company for utilizing alternative sources of energy**

- Not Applicable

c) **Capital investment on energy conservation equipment's**

- Not Applicable

B. TECHNOLOGY ABSORPTION

a) **Efforts made towards technology absorption:**

Total quality management has been the prime thrust area. The Company has been making consistent efforts for replacement of expatriate crew by training the Indian crew on the Rigs.

b) **The benefits derived like product improvement, cost reduction, product development or import substitution:**

Offshore Drilling is import substitution business and results in foreign exchange savings, Import substitution of stores and spares to the maximum extent possible was undertaken by the Company on a regular basis.

c) **Information regarding imported technology (Imported during last three years):**

a) the details of technology imported	Nil
b) the year of Import	Not Applicable
c) whether the technology has been fully absorbed	Not Applicable
d) if not fully absorbed, areas where absorption has not taken place and the reasons thereof	Not Applicable

d) **The expenditure incurred on Research and Development Nil**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned

Used	-	₹ 64415.08 Lacs
Earned*	-	₹ 21954.77 Lacs

*relates to payment received for sales and services rendered to oil sector and also the interest income from Joint Venture Companies.

FORM NO.AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name(s) of the related party and the nature of relationship	NIL
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/arrangement/ transactions	
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	Name(s) of the related party and the nature of relationship	NIL
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/arrangement/ transactions	
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
(e)	Date of approval by the Board	
(f)	Amount paid as advances, if any	

For & on behalf of the Board of Directors

Date : 7th August, 2019
Place : Gurugram

D.P.Jindal
Chairman

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Board of Directors, on recommendation of the Corporate Social Responsibility Committee framed a Corporate Social Responsibility Policy which is posted on the Company's website. The Company proposes to adopt projects or programmes under one or more of the activities as prescribed under Schedule VII of the Companies Act, 2013, as recommended from time to time.

The Corporate Social Responsibility Policy is posted on the Company's Website www.jindal.com on the following link <http://www.jindal.com/jdil/pdf/CSR%20Policy%20JDIL.pdf>.

2. **The Composition of the CSR Committee.** The Company has a CSR Committee of Directors comprising of Shri Raghav Jindal, Chairman of the Committee and Shri K K Khandelwal and Shri Vijay Kaushik as its other members.

3. **Average net profit of the Company for last three financial years- ₹ 1409.74 Lakhs**

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) – ₹ 28.19 Lakhs**

5. **Details of CSR spent during the financial year**

(a) Total amount to be spent for the financial year – ₹ 29.00 Lakhs

(b) Amount unspent, if any – NIL

(c) Manner in which the amount spent during the financial year is detailed below:

S.No.	CSR Project or Activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.	Amount Outlay (Budget) project or programs wise (₹)	Amount spent on the projects or programs subheads : (1) Direct Expenditure (2) Overheads (₹)	Cumulative Expenditure upto the reporting period (₹)	Amount Spent : Direct or through implementing agency
1.	Providing Food support for Poor	Eradicating hunger, poverty and malnutrition.	Delhi NCR	4,00,000	4,00,000	4,00,000	Through BC Jindal Charitable Trust
2.	Providing Shelter and foods to animals	Animal Welfare	Agroha and Delhi NCR	15,75,000	15,75,000	15,75,000	Through BC Jindal Charitable Trust
3.	Education facilities	Promoting education	Kolkata and Delhi NCR	9,25,000	9,25,000	9,25,000	Through B C Jindal Charitable Trust
	Total CSR Spend			29,00,000	29,00,000	29,00,000	

6. **Reasons for not spending two percent of the average net profit of the last three financial years or any part thereof on CSR.- NA**

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

D. P. JINDAL
Chairman

RAGHAV JINDAL
Chairman, CSR Committee

Form No. MGT - 9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L27201MH1983PLC233813
ii)	Registration Date	17th October, 1983
iii)	Name of the Company	Jindal Drilling and Industries Limited
iv)	Category/Sub-Category of the Company	Public Company/ Limited by Shares
v)	Address of the Registered Office and contact details	Pipe Nagar, Village Sukeli, N.H.-17 B.K.G. Road, Taluka-Roha, Raigad, Maharashtra- 402126 Tel: 02194-238511 Fax: 02194-238513 Email: secretarial@jindaldrilling.in Website: www.jindal.com
vi)	Whether Listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Alankit Assignments Limited, Alankit Heights, 1E/13, Jhandelwala Extension, New Delhi - 110 055 Phone: 011-23541234, 42541234 Fax: 011-42541967 e-mail: rta@alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% of total turnover of the Company
I	Drilling- Oil & Gas (Off shore extraction of crude petroleum)	06101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. N.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Discovery Drilling Pte. Ltd., 146, Robinson Road, # 11-01, Singapore- 068909	NA	Associate	49.00%	2(6)
2	Virtue Drilling Pte. Ltd. 146, Robinson Road, # 11-01, Singapore- 068909	NA	Associate	49.00%	2(6)

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2018]				No. of Shares held at the end of the year [As on 31st March, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	566394	-	566394	1.96	566394	-	566394	1.96	
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	17922465	-	17922465	61.84	18566965	-	18566965	64.06	2.22
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	18488859	-	18488859	63.80	19133359	-	19133359	66.02	2.22
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	18488859	-	18488859	63.80	19133359	-	19133359	66.02	2.22
B. Public Shareholding									
I. Institutions									
a) Mutual Funds	97625	-	97625	0.34	97625	-	97625	0.34	
b) Banks / FI	46150	300	46450	0.16	39659	300	39959	0.14	-0.02
c) Central Govt. (IEPF)	35801	-	35801	0.12	39666	-	39666	0.14	0.02
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	56431	-	56431	0.19	8000	-	8000	0.02	-0.17
Sub-total (B)(I):-	236007	300	236307	0.81	184950	300	185250	0.64	-0.17

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2018]				No. of Shares held at the end of the year [As on 31st March, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5394858	556	5395414	18.62	4421603	556	4422159	15.26	-3.36
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3682196	80650	3762846	12.98	3646824	74683	3721507	12.84	-0.14
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	501346	-	501346	1.73	825334	-	825334	2.85	1.12
c) Others (specify)									
Non Resident Indians	511538	-	511538	1.77	500873	-	500873	1.73	-0.04
Trusts	500	-	500	0.00	1500	-	1500	0.01	0.01
Clearing Members	84294	-	84294	0.29	45451	-	45451	0.16	-0.13
Resident (HUF)	-	-	-	-	145671	-	145671	0.50	0.50
Sub-total (B)(2):-	10174732	81206	10255938	35.39	9587256	75239	9662495	33.34	-2.05
Total Public Shareholding (B)= (B)(1)+ (B)(2)	10410739	81506	10492245	36.20	9772206	75539	9847745	33.98	-2.22
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	28899598	81506	28981104	100	28905565	75539	28981104	100	-

ii) Shareholding of Promoters-

S. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April, 2018]			Shareholding at the end of the year [As on 31st March, 2019]			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Dharam Pal Jindal	69420	0.24	0	69420	0.24	0	-
2	D P Jindal (HUF)	57300	0.20	0	57300	0.20	0	-
3	Saket Jindal	174932	0.60	0	174932	0.60	0	-
4	Savita Jindal	24200	0.08	0	24200	0.08	0	-
5	Raghav Jindal	169776	0.58	0	169776	0.58	0	-
6	Shruti Raghav Jindal	32200	0.11	0	32200	0.11	0	-
7	Rachna Jindal	25066	0.09	0	25066	0.09	0	-
8	Raghav Jindal (HUF)	13500	0.05	0	13500	0.05	0	-

S. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April, 2018]			Shareholding at the end of the year [As on 31st March, 2019]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
9	Odd & Even Trades & Finance Ltd.	423185	1.46	0	423185	1.46	0	-
10	Jindal Global Finance & Investment Ltd.	5268148	18.18	0	5268148	18.18	0	-
11	Stable Trading Co. Ltd.	3059168	10.56	0	3059168	10.56	0	-
12	Sudha Apparels Ltd.	3081000	10.63	0	3081000	10.63	0	-
13	Crishpark Vincom Ltd.	4198350	14.49	0	4198350	14.49	0	-
14	Neptune Exploration & Industries Ltd.	470614	1.62	0	470614	1.62	0	-
15	Maharashtra Seamless Limited	92000	0.32	0	92000	0.32	0	-
16	Jindal Pipes Limited	1330000	4.59	0	1974500	6.81	0	2.22
	TOTAL	18488859	63.80	0	19133359	66.02	0	2.22

iii) Change in Promoters' Shareholding (please specify, if there is no change)

S.N.	Name of Shareholders	Shareholding		Date	Increase / Decrease in shareholding during the year	Reason	Cumulative shareholding during the year	
		No. of shares at the beginning of the year/at the end of the year	% of the Total Shares of the Company				No of shares	% of the Total Shares of the Company
I.	Jindal Pipes Limited	1330000	4.59	1-Apr-2018				
				11-Apr-2018	100000	Market Purchase	1430000	4.93
				12-Apr-2018	100000	Market Purchase	1530000	5.28
				23-Apr-2018	100000	Market Purchase	1630000	5.62
				24-Jul-2018	61500	Market Purchase	1691500	5.84
				25-Jul-2018	83000	Market Purchase	1774500	6.12
				30-Aug-2018	100000	Market Purchase	1874500	6.47
				07-Sep-2018	100000	Market Purchase	1974500	6.81
				1974500	6.81	31-Mar-2019		

iv) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs)

S.N.	Name of Shareholders	Shareholding		Date of transaction	Increase / Decrease in shareholding during the year	Reason	Cumulative shareholding during the year	
		No of shares at the beginning of the year/at the end of the year	% of the Total Shares of the Company				No of shares	% of the Total Shares of the Company
1.	Bhagalaxami Finlease & Investment Pvt. Ltd.	1152400	3.98	01-Apr-18			No Change	
		1152400	3.98	31-Mar-19				
2.	Babul Holdings Pvt. Ltd.	1032508	3.56	01-Apr-18			No Change	
		1032508	3.56	31-Mar-19				
3.	Indico Prefab and Allied Industries LLP	306359	1.06	01-Apr-18			No Change	
		306359	1.06	31-Mar-19				
4.	Seetha Kumari	281758	0.97	01-Apr-18				
				20-Apr-18	17623	Transfer	299381	1.03
				27-Apr-18	54722	Transfer	354103	1.22
				04-May-18	17769	Transfer	371872	1.28
				25-May-18	16997	Transfer	388869	1.34
				15-Jun-18	-200000	Transfer	188869	0.65
				13-Jul-18	1	Transfer	188870	0.65
				20-Jul-18	28983	Transfer	217853	0.75
				24-Aug-18	68344	Transfer	286197	0.99
				31-Aug-18	15940	Transfer	302137	1.04
				16-Nov-18	977	Transfer	303114	1.05
				29-Mar-19	200000	Transfer	503114	1.74
5.	Jai Krishna Saraf	310000	1.07	01-Apr-18			No Change	
		310000	1.07	31-Mar-19				
6.	Seminary Tie Up Pvt. Ltd.	276054	0.95	01-Apr-18			No Change	
		276054	0.95	31-Mar-19				
7.	Daniel Vyappar Pvt. Ltd.	219523	0.85	01-Apr-18				
				20-Apr-18	29290	Transfer	275918	0.95
				27-Jul-18	-86000	Transfer	189918	0.67
				28-Sep-18	4802	Transfer	194720	0.70
				05-Oct-18	6942	Transfer	201662	0.70
				08-Oct-18	1859	Transfer	203521	0.71
				19-Oct-18	2115	Transfer	205636	0.75
				26-Oct-18	10563	Transfer	216199	0.77
				02-Nov-18	7059	Transfer	223258	0.76
				09-Nov-18	-1570	Transfer	221688	0.76
				16-Nov-18	-2165	Transfer	219523	
				246628	0.76	31-Mar-19		
8.	Concord Trexim Pvt. Ltd.	151128	0.52	01-Apr-18				
				27-Jul-18	-30511	Transfer	120617	0.42
				08-Feb-19	19876	Transfer	140493	0.48
				15-Feb-19	31809	Transfer	172302	0.59
				22-Feb-19	32120	Transfer	204422	0.71
				01-Mar-19	-14072	Transfer	190350	0.66
				08-Mar-19	14072	Transfer	204422	0.71
		204422	0.71	31-Mar-19				

S.N.	Name of Shareholders	Shareholding		Date of transaction	Increase / Decrease in shareholding during the year	Reason	Cumulative shareholding during the year	
		No of shares at the beginning of the year/at the end of the year	% of the Total Shares of the Company				No of shares	% of the Total Shares of the Company
9	GVN Fuels Ltd.	224109	0.77	1-Apr-18				
				6-Apr-18	51270	Transfer	275379	0.95
				13-Apr-18	-34398	Transfer	240981	0.83
				20-Apr-18	-33493	Transfer	207488	0.72
				27-Apr-18	25429	Transfer	232917	0.8
				1-Jun-18	-45629	Transfer	187288	0.65
				15-Jun-18	30383	Transfer	217671	0.75
				13-Jul-18	17444	Transfer	235115	0.81
				27-Jul-18	22583	Transfer	257698	0.89
				3-Aug-18	-28267	Transfer	229431	0.79
				10-Aug-18	-25397	Transfer	204034	0.7
				17-Aug-18	-34469	Transfer	169565	0.59
				24-Aug-18	-5484	Transfer	164081	0.57
				26-Oct-18	29	Transfer	164110	0.57
				21-Dec-18	1703	Transfer	165813	0.57
				4-Jan-19	1958	Transfer	167771	0.58
				18-Jan-19	12217	Transfer	179988	0.62
		8-Feb-19	22748	Transfer	202736	0.70		
		202736	0.70	31-Mar-19				
10	Funny Commotrade Pvt. Ltd.	164390	0.57	1-Apr-18		No Change		
		164390	0.57	31-Mar-19				
11	Mass Skilltech Pvt. Ltd. (Formerly known as Annapurna International Pvt. Ltd.)	556794	1.92	1-Apr-18				
				13-Apr-18	-200000	Transfer	356794	1.23
				20-Apr-18	-56794	Transfer	300000	1.04
				27-Apr-18	-100000	Transfer	200000	0.69
				31-Aug-18	-100000	Transfer	100000	0.35
				18-Sep-18	-100000	Transfer	0	0

v) Shareholding of Directors and Key Managerial Personnel:

Name of the Directors / KMPs	Shareholding at the Beginning of the year (1st April, 2018)		Cumulative Shareholding at the year ended (31st March, 2019)	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Dharam Pal Jindal - Chairman				
At the beginning of the year	69,420	0.24	-	-
At the end of the year	-	-	69,420	0.24
Raghav Jindal – Director				
At the beginning of the year	169,776	0.58	-	-
At the end of the year	-	-	169,776	0.58
Krishna Kumar Khandelwal - Director				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
Vijay Kaushik - Director				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
Saroj Bhartia - Director				
At the beginning of the year	1000	0.00	-	-
At the end of the year	-	-	1000	0.00
At the end of the year	-	-	NA	NA
Radhey Shyam Gupta – Chief Executive Officer				
At the beginning of the year	20	0.00	-	-
At the end of the year	-	-	20	0.00
Rajeev Ranjan – Company Secretary*				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
Pawan Rustagi - CFO				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-

*Resigned as Company Secretary of the Company on 21st November, 2018.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1543.55	4734.52	-	6278.07
ii) Interest due but not paid	-	29.46	-	29.46
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1543.55	4763.98	-	6307.53
Change in Indebtedness during the financial year				
- Addition	-	10,514.47	-	10,514.47
- Reduction	-509.00	-	-	-509.00
Net Change	-509.00	10,514.47	-	10,005.47
Indebtedness at the end of the financial year	1034.55	15,278.45	-	16,313.00
i) Principal Amount	1034.55	14,273.54	-	15,308.09
ii) Interest due but not paid	-	1004.91	-	1004.91
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1034.55	15,278.45	-	16,313.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Director and/or Manager:

(₹ In Lakhs)

S.N.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Raghav Jindal (MD)		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	60.90		60.90
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	-		-
	(c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission			
	- as % of profit	-		-
	- others, specify...	-		-
5	Others, please specify	-		-
	Provident Fund:	-		-
	Total (A)	60.90		60.90

B. Remuneration to other Directors

(₹ In Lakhs)

S.N.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. D.P. Jindal	Mr. Raghav Jindal	Mr. Vijay Kaushik	Mr. K.K. Khandelwal	Smt. Saroj Bhartia	
1	Independent Directors						
	Fee for attending Board/ Committee meetings	-	-	2.50	2.50	2.10	7.10
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	2.50	2.50	2.10	7.10
2	Other Non-Executive Directors						
	Fee for attending Board/ Committee meetings	2.40	0.50	-	-	-	2.90
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	2.40	0.50	-	-	-	2.90
	Total (B)=(1+2)	2.40	0.50	2.50	2.50	2.10	10.00
	Total Managerial Remuneration **						70.90

** Total managerial remuneration to Managing Director, Whole-Time Directors and other Directors (being total of A and B)

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ In Lakhs)

S.N.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Radhey Shyam Gupta (Chief Executive Officer)	Mr. Pawan Kumar Rustagi (Chief Financial Officer)	Mr. Rajeev Ranjan* (Company Secretary)	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	16.79	23.06	8.36	48.21
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	-	-	1.14	1.14
	(c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit others, specify...	- -	- -	- -	- -
5	Others, please specify: Provident Fund	-	0.22	0.14	0.36
	Total	16.79	23.28	9.64	49.71

* Resigned w.e.f. 21st November, 2018

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Jindal Drilling and Industries Ltd

(CIN: L27201MH1983PLC233813)

Pipe Nagar, Village Sukeli,

NH 17, BKG Road, Taluka Roha,

District Raigad-402126

Maharashtra

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by

Jindal Drilling and Industries Ltd. (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & 2018- (Not applicable to the Company during the Audit Period);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- (Not applicable to the Company during the Audit Period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- (Not applicable to the Company during the Audit Period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- (Not applicable to the Company during the Audit Period)
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 & 2018- (Not applicable to the Company during the Audit Period) and;
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.
- (vi) Management has, in its Representation Letter, identified and confirmed the applicability and compliance of all laws as being specifically applicable to the company, relating to Labour/ Pollution/Environment/Production process etc, apart from other general laws.

I have also examined compliance with the applicable clauses of the Mandatory Secretarial Standards issued by the Institute of Company Secretaries of India and the Listing Agreements entered into by the company with Stock Exchanges.

During the period under review, the Company has generally complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

During the year, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate Notice is given to all directors at least seven days in advance to schedule the Board meetings. Agenda and detailed notes on agenda are also sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that, based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by the Company Executives and taken on record by the Board of Directors and Audit Committee at their meetings, there are adequate systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Legal compliance mechanism, however, needs strengthening and streamlining to commensurate with company's size and operations.

I further report that, during the audit period, there are following major events having bearing on the company's affairs:

- I. Shri Raghav Jindal was appointed as Managing Director of the Company for a period of 5 years w.e.f. 13th August, 2018.
- II. The Company purchased its own Jack-up Rig 'Discovery I' at the cost of USD 75 million.

I further state that this report is to be read alongwith the following-

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date : 7th August, 2019

Place : New Delhi

Namo Narain Agarwal
Company Secretary in Practice
CP No.3331, FCS No. 234

DISCLOSURE IN THE BOARD'S REPORT UNDER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.
PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial year 2018-19.

S.N.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2018-19 (₹ In Lakhs)	Ratio of remuneration of each Director to median remuneration of employees	% increase in Remuneration in the financial year 2018-19
1	Mr. D P Jindal (Chairman)	2.40	0.94	-
2	Mr. Raghav Jindal* (Non-Executive Director)	0.50	0.20	NA
2	Mr. Raghav Jindal* (Managing Director)	60.90	23.97	NA
3.	Mr. K.K.Khandelwal (Non-Executive Director)	2.50	0.98	-
4	Mr. Vijay Kaushik (Non-Executive Director)	2.50	0.98	-
5	Smt. Saroj Bhartia (Non-Executive Director)	2.10	0.83	90.91
6	Mr. Radhey Shyam Gupta ** (Chief Executive Officer)	16.79	NA	NA
7	Mr. Pawan Rustagi (CFO)	23.28	NA	-11.52
8	Mr. Rajeev Ranjan*** (Company Secretary)	9.64	NA	NA

*Not Comparable as Mr. Raghav Jindal was holding positing of Non-executive Directorship only for part of the year on the board of the Company and thereafter change in designation was made & appointed as Managing Director w.e.f August 13, 2018

** Not Comparable as Mr: R S Gupta was holding position of CEO for part of the year in previous year 2017-18.

*** Not Comparable as Mr: Rajiv Ranjan was holding position of Company Secretary for part of the year during current year.

b. Percentage increase in the median remuneration of employees in the financial year 2018-19 compared to 2017-18 was -29.24%.

c. As on 31st March, 2019, there were 426 permanent employees on the rolls of the Company.

d. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 13.17% whereas percentage increase in the managerial remuneration in the last financial year i.e. 2018-19 was 254.50%.

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

CORPORATE GOVERNANCE REPORT

The pursuit towards achieving good governance is an ongoing process at Jindal Drilling and Industries Ltd. (JDIL), as a conscious effort. The Company always focuses on good corporate governance - which is a key driver of sustainable corporate growth and long-term value creation. Your Company believes in conducting its affairs with the highest levels of integrity, with proper authorizations, accountability, disclosure and transparency.

The Company is in compliance with the requirements as stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to corporate governance.

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance is the system by which Companies are directed and managed. Good Corporate Governance structure encourages Companies to create value (through entrepreneurship, innovation, development and exploration) and provide accountability and control systems commensurate with the risks involved.

Jindal Drilling believes in ensuring true Corporate Governance Practices to enhance long term shareholders' value through corporate performance, transparency, integrity and accountability.

2. BOARD OF DIRECTORS

Composition

At present, the Board of Directors of the Company consists of five (05) Directors having a pool of collective knowledge from various disciplines like Engineering, Finance, Treasury, Business Management, Corporate Planning, etc. The Board has been constituted in a manner resulting in an appropriate composition of Executive, Non-Executive and Independent Directors. The Non-executive Directors play an active role in the meetings of the Board and are associated with the various Board Committees. They also bring independent judgment in the Board's deliberations and decisions. The Board meets regularly and is responsible for the proper management of the Company. One Director is executive; three directors, including one woman director, are non-executive Independent Directors and one director is Non-Executive Non Independent Director.

The Chairman of the Board is Non-Executive Director, who is also a promoter of the Company. The Board meets the requirement of not less than one-half being Independent Directors. The size and composition of the Board confirms to the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors hold Chairmanship of more than 5 Committees or Membership in more than 10 Committees of the Companies as required under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board as part of its succession planning exercise periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

Confirmation and Certification

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from Mr. Namo Narain Agarwal, (FCS No. 234) Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

Board Functioning & Procedure

Jindal Drilling believes that at the core of its Corporate Governance practice is the Board, which oversees how the management serves and protects the long-term interests of all stakeholders of the company. An active, well-informed and Independent Board is necessary to ensure the highest standards of corporate governance.

Jindal Drilling believes that composition of Board is conducive for making decisions expediently, with the benefit of a variety of perspectives and skills, and in the best interests of the Company as a whole rather than of individual shareholders or interest groups.

In accordance with the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board meets at least once in every quarter to review the quarterly results and other items of agenda as required under the said regulations thereof.

During the financial year 2018-19, 4 (four) Board meetings were held on 24th May, 2018, 13th August, 2018, 01st November, 2018 and 11th February, 2019.

The Composition of Board of Directors, their shareholding, their attendance at their Board meeting during the year and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31st March, 2019 are given below:

Directors	Category	Shares held	Attendance		No. of Directorships and Committee Memberships / Chairmanships held		
			Board Meeting	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
Shri D. P. Jindal	Non-Executive Chairman	69,420	4	Yes	5	2	-
Shri Raghav Jindal	Ex-Director	169,776	4	Yes	5	2	-
Shri K. K. Khandelwal	Independent	-	4	Yes	5	3	2
Shri Vijay Kaushik	Independent	-	4	Yes	3	1	-
Smt. Saroj Bhartia	Independent	1,000	4	No	3	1	-

Note: 1. Only Audit and Stakeholders' Relationship Committees are considered.

2. Excludes directorship in Foreign Companies.

Directors	Names of the other Indian entities where he/she is a director
Shri D. P. Jindal	1. JINDAL PIPES LIMITED 2. JINDAL NATURECARE LIMITED 3. JINDAL ALUMINIUM LIMITED. 4. Executive Director- MAHARASHTRA SEAMLESS LIMITED
Shri Raghav Jindal	1. UNITED SEAMLESS TUBULAAR PRIVATE LIMITED 2. JINDAL PIPES LIMITED 3. BRAHMA DEV HOLDING AND TRADING LIMITED 4. JINDAL PIPES FINANCE LIMITED
Shri K. K. Khandelwal	1. HARYANA CAPFIN LIMITED as Independent Director 2. TOSHNIWAL TRAVELS PRIVATE LIMITED 3. DWARKADHISH PROMOTERS PRIVATE LIMITED 4. QUICK PORTFOLIO SERVICES PRIVATE LIMITED
Shri Vijay Kaushik	1. VIBHOR STEEL TUBES PRIVATE LIMITED 2. R N SECURITIES PRIVATE LIMITED
Smt. Saroj Bhartia	1. GANGA FERROALLOYS PRIVATE LIMITED 2. RIDDHI BUILDPROP PRIVATE LIMITED

None of the Directors is related to any other Director, except Shri Raghav Jindal, who is the son of Shri D.P.Jindal.

During the year 2018-19, information as required in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

Board Membership Criteria and list of core skills / expertise / competencies identified in the context of the business:

The Board of Directors are collectively responsible for selection of a Member on the Board. The Nomination and Remuneration Committee of the Company follows a defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of relevance to the Company;

- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

In terms of requirement of Listing Regulations, 2015, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

	Shri D. P. Jindal	Shri Raghav Jindal	Shri K. K. Khandelwal	Shri Vijay Kaushik	Smt. Saroj Bhartia
Leadership experience of running large enterprise – Experience in leading well-governed large organisations, with an understanding of organisational systems and processes complex business and regulatory environment, strategic planning and risk management, understanding of emerging local and global trends and management of accountability and performance.	Yes	Yes	Yes	Yes	-
Experience of crafting Business Strategies – Experience in developing long-term strategies to grow business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions.	Yes	Yes	Yes	Yes	Yes
Understanding of Customer Insights in diverse environments and conditions – Experience of having managed organisations with OEM customer interface in diverse business environments and economic conditions which helps in leveraging consumer insights for business benefits.	Yes	Yes	Yes	Yes	Yes
Finance and Accounting Experience – Leadership experience in handling financial management of a large organisation along with an understanding of accounting and financial statements.	Yes	Yes	Yes	Yes	Yes
Experience of large Companies and understanding of the changing regulatory landscape – Experience of having served in large public companies in diverse industries to provide Board oversight to all dimensions of business and Board accountability, high governance standards with an understanding of changing regulatory framework.	Yes	Yes	Yes	Yes	Yes

INDEPENDENT DIRECTOR'S MEETING

The Company's Independent Directors meet atleast once in every financial year without the presence of Non Independent Directors or management personnel, inter alia, to discuss:

1. the performance of Non Independent Directors and Board of Directors as a whole.
2. the performance of the Chairman of the Company, taking into account the views of the Executive & Non-Executive Directors.
3. the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively perform its duties.

During the year under review, the Independent Directors met on 11th February, 2019. All Independent Directors were present at the meeting.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures & practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company.

The detail of familiarization programmes for Independent Directors are posted on the Company's website and can be accessed at <http://www.jindal.com/jdil/pdf/Details-of-Familiarization-Programmes-JDIL.pdf>

CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management personnel. The Code has also been posted on the Company's website www.jindal.com.

The Code has been circulated to all members of the Board and Senior Management Personnel and the compliance with the Code of Conduct is affirmed by them annually.

A declaration signed by the Chief Executive Officer (CEO) of the Company is given below:

This is to certify that all Board Members and Senior Management personnel have affirmed compliance with Code of Conduct for Directors and Senior Management for the financial year ended 31st March, 2019.

Date : 7th August, 2019

Radhey Shyam Gupta
Chief Executive Officer

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee are as per guidelines set out in the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Audit Committee provides directions to the audit functions and monitors the quality of internal and statutory audit.

The responsibilities of the Audit Committee include overseeing the financial reporting process, to ensure fairness, sufficiency and credibility of Financial Statements, review findings of internal auditors relating to various functions, recommendation of appointment and removal of Statutory Auditors, Internal Auditors and Cost Auditors and fixation of their remuneration; review of the quarterly and annual financial statements before submission to the Board with particular reference to matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013; review of adequacy and compliance of internal control systems and the internal audit function; review of compliance with applicable laws; inspection of records and reports of statutory auditors; review of findings of internal investigations; review of statement of significant related party transactions; review of management letters/letter of internal control, weaknesses issued by Statutory Auditors, discussion on the scope of audit with external auditors and examination of reasons for substantial defaults, if any in the payment to shareholders; review the functioning of the Whistle Blower mechanism etc.

COMPOSITION

The Audit Committee of the Company comprises of 3 Directors including 2 Independent Directors. All members of the Committee possess knowledge of Corporate Finance, Accounts and Company Law. The Chairman of the Committee is an Independent Director and was present at the last Annual General Meeting of the Company. The Audit Committee meetings are attended by the Internal & Statutory Auditors, Accounts and Finance Heads. The Company Secretary acts as the Secretary to the Audit Committee.

The minutes of the Audit Committee meetings are noted by the Board of Directors at the subsequent Board meeting.

During the year under review 4 (four) Board meetings were held on 24th May, 2018, 13th August, 2018, 01st November, 2018 and 11th February, 2019. The composition, names of the members, chairperson and attendance of the members at its meetings are as follows:

Members	Designation	No. of Meetings attended
Shri K.K. Khandelwal	Chairman	4
Shri D.P. Jindal	Member	4
Shri Vijay Kaushik	Member	4

INTERNAL AUDITORS

The Company has appointed a firm of Chartered Accountants as Internal Auditors to review the internal control systems of the Company and to report thereon. The Audit Committee reviews the reports of the Internal Auditors periodically.

4. NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted Nomination and Remuneration Committee and the terms of reference of the Nomination and Remuneration Committee are as per guidelines set out in the Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The said Committee has been entrusted to formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to remuneration for Directors, key managerial personnel and other employees, formulation of criteria for evaluation of Independent Directors and the Board, devising a policy on Board diversity, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal etc.

The Nomination and Remuneration Committee of the Company is comprised of three Directors consisting of all Independent Non-Executive Directors. The Chairman of the Committee is an Independent Non-executive Director. During the year under review, meeting of the Nomination and Remuneration Committee were held on 13th August, 2018 and 11th February, 2019.

The composition, names of the members, Chairman and their attendance at its meeting are as follows:-

Members	Designation	No. of Meetings attended
Shri K. K. Khandelwal	Chairman	2
Shri Vijay Kaushik	Member	2
Smt. Saroj Bhartia	Member	2

Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower; by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders. This Nomination and Remuneration Policy applies to Directors, senior management including its Key Managerial Personnel (KMPs) and other employees of the Company.

Remuneration of Managing Director should reflect the overall remuneration philosophy and guiding principles of the Company. When considering the appointment and remuneration of Whole Time Director, due consideration be given to pay and employment conditions in the industry, merit and seniority of the person and the paying capacity of the Company.

The Company's Remuneration Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long-term.

This Remuneration Policy shall continue to guide all future employment of Directors, Company's Senior Management including Key Managerial Personnel and other employees.

The Nomination and Remuneration policy of the Company has been uploaded and can be accessed on the Company's website at <http://www.jindal.com/jdil/pdf/NRC-Policy-JDIL.pdf>

REMUNERATION TO DIRECTORS

The details of remuneration paid to the Directors during the financial year ended 31st March, 2019 are as under:

a) The Detail of remuneration paid to Managing Director is as under:

(₹ In Lakhs)

Name	Salary	Perquisites & other benefits	Total
Shri Raghav Jindal* (Managing Director)	60.90	-	60.90

- b) The Non-Executive Directors are paid by way of sitting fees for meetings of the Board of Directors, Audit Committee and Independent Directors' attended by them. The details of remuneration paid to Non Executive Directors are as under:

(₹ In Lakhs)

Director	Sitting Fees
Mr. D P Jindal	2.40
Mr. Raghav Jindal*	0.50
Mr. K.K.Khandelwal	2.50
Mr. Vijay Kaushik	2.50
Smt. Saroj Bhartia	2.10

*Mr. Raghav Jindal was holding positing of Non-executive Directorship only for part of the year on the board of the Company and thereafter change in designation was made & appointed as Managing Director w.e.f August 13, 2018.

Apart from receiving Directors' remuneration by way of sitting fee for attending above meetings, none of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the year ended 31st March, 2019.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has constituted the Corporate Social Responsibility (CSR) Committee in reference to the requirements of Section 135 of the Companies Act, 2013. The CSR Committee recommends to the Board the activities to be undertaken by the Company during the year and the amount to be spent on these activities. During the year under review, the said committee met on 24th May, 2018. All members were present in the meeting.

The constitution of the Corporate Social Responsibility Committee is as under:-

Members	Designation	No. of Meetings attended
Shri Raghav Jindal	Chairman	1
Shri K. K. Khandelwal	Member	1
Shri Vijay Kaushik	Member	1

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders' Relationship Committee under the Chairmanship of Non-Executive Director. The Committee meets periodically, to approve inter-alia, transfer/transmission of shares, issue of duplicate share certificates and reviews the status of investors' grievances and redressal mechanism and recommends measures to improve the level of investor services. Details of shares transfers/ transmissions approved by the Committee are placed at the Board meetings from time to time. During the year under review, meeting of the Committee were held on 24.05.2018, 18.09.2018, 01.11.2018, 22.11.2018, 30.11.2018, 06.12.2018 and 11.01.2019.

The composition, names of the members, Chairman and their attendance at its meeting are as follows:-

Members	Designation	No. of Meetings attended
Shri K.K. Khandelwal	Chairman	7
Shri Raghav Jindal	Member	7
Smt. Saroj Bhartia w.e.f. 11.02.2019	Member	Not Applicable

COMPLIANCE OFFICER

The Board has designated Shri Saurabh Agrawal, Company Secretary as a Compliance Officer of the Company w.e.f. April 10, 2019.

DETAILS OF SHAREHOLDERS COMPLAINTS RECEIVED AND ATTENDED

No. of Investor complaints pending as on 01-04-2018	Nil
No. of Investor complaints received during the F.Y. 2018-19	One
No. of Investor complaints disposed during the F.Y. 2018-19	One
No. of Investor complaints unresolved at the year-end (31.03.2019)	Nil

7. GENERAL BODY MEETINGS

(I) Details of the last three Annual General Meetings:

Financial year	Date	Location of the Meeting	Time
2015-16	27.09.2016	Pipe Nagar, Village- Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad - 402126	2.30 P.M.
2016-17	26.09.2017	Pipe Nagar, Village- Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad - 402126	2.30 P.M.
2017-18	25.09.2018	Pipe Nagar, Village- Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad - 402126	2:30 P.M.

(II) Special Resolutions passed in the previous three AGMs.

a)	In the AGM held on 27.09.2016 : None
b)	In the AGM held on 26.09.2017 : None
c)	In the AGM held on 25.09.2018 : <ul style="list-style-type: none"> a) Amendment to Clause III(B) and Clause III(c) of Objects Clause of the Memorandum of Association of the Company. b) Amendment to Clause IV-Liability Clause of the Memorandum of Association of the Company. c) Adoption of new set of Articles of Association. d) Continuation of the Directorship of Shri K. K. Khandelwal, as Independent Director of the Company.

(III) Special resolutions passed through Postal Ballot:

During the year under review, no special resolution was passed through postal ballot.

None of the special resolutions is proposed to be conducted through postal ballot.

8. DISCLOSURES

i) Related Party Transactions

There have been related party transactions as reflected in notes to the accounts but they are not in conflict with the interest of the Company. All transactions have been approved by the Audit Committee and all transactions entered into by the Company with the related parties during the financial year were in the ordinary course of business of the Company and on arm's length basis.

The Board has approved a policy on Materiality of Related Party Transactions which has been uploaded on the website of the Company at the following link <http://www.jindal.com/jdil/pdf/RPT-POLICY-JDIL.pdf>

ii) Accounting Standards

The Company follows the Accounting Standards laid down by the Institute of Chartered Accountants of India and there has been no deviation during the year. The Company has followed Indian Accounting Standards (Ind AS) in the preparation of the Financial Statements for the financial year ending 31st March, 2019. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

iii) Details on Non Compliance

There were no penalties or strictures imposed on the Company by the Stock Exchanges, SEBI, or any other statutory authorities on any matter related to the capital markets during the last 3 years.

iv) CEO/CFO Certificates

Shri Radhey Shyam Gupta, CEO and Shri Pawan Kumar Rustagi, CFO have furnished the required certificate to the Board of Directors pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

v) Whistle Blower Policy

The Company has adopted a Whistle blower policy and has established the necessary Vigil Mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. No person has been denied access to the Chairman of the Audit Committee. The said policy has been disclosed on the Company's website under the web link <http://jindal.com/jdil/pdf/Vigil-Mechanism-JDIL.pdf>

vi) Adoption of Mandatory and Non- mandatory requirements

The Company has complied with all the mandatory requirements of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Company has also complied with following non-mandatory requirements of Regulation 27(1) read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Audit Qualifications

The Financial Statements of the Company are unqualified.

Separate posts of Chairman and Managing Director

The Chairman of the Board is Non- Executive Director.

Reporting of Internal Auditor

The Internal Auditors of the Company make presentations to the Audit Committee on their reports.

vii) Risk Management

The Company has detailed Risk Management Policy and the Board periodically reviews the procedures for its effective management.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven years from the date of transfer to Unclaimed Dividend Account of the Company. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the Demat Account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining transfer of the shares.

During the year under review, the Company had sent individual notices and also advertised in the newspaper seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more. Accordingly, the Company has transferred to IEPF following shares thereto during the financial years 2018-19.:

Particulars	No. of Shares
Dividend for the Financial Year 2010-11	3865

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website at www.jindal.com.

The shareholders are requested to verify their records and claim their unclaimed dividends for the past years, if not claimed.

CERTIFICATE ON CORPORATE GOVERNANCE REPORT

As required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Auditors' certificate on corporate governance has been annexed to the Board's Report.

DISCLOSURE ON NON-COMPLIANCE

There was no such non-compliance made by the Company on corporate governance report as required under sub- paras (2) to (10) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In Compliance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, KMPs and designated employees.

9. MEANS OF COMMUNICATION

The Company's financial results are communicated forthwith to all Stock Exchanges, where the shares of Company are listed as soon as they are approved and taken on record by the Board of Directors of the Company. Thereafter the results are normally published in Business Standard, Free Press Journal and Navshakti. The Financial Results, Press Releases and Presentations made to institutional investors are also available on the Company's website www.jindal.com.

Designated Exclusive e-mail ID: The Company has designated the following e-mail ID exclusively for investor grievance redressal:- secretarial@jindaldrilling.in

10. GENERAL SHAREHOLDERS INFORMATION

- a) Annual General Meeting:
- Date & Time : 24th September 2019 at 2.30 P.M.
- Venue : Jindal Mount Litera, Pipe Nagar, Village Sukeli, N.H. 17, B.K.G Road, Taluka Roha, Distt. Raigad, Maharashtra - 402126
- b) Period : 1st April 2018 to 31st March, 2019
- c) Record Date : 11th September 2019
- d) Dividend : ₹ 0.50 per share (i.e. @ 10%) for the year ended 31st March, 2019, if approved by the members, would be payable on or after 27th September, 2019.

Financial Calendar (Tentative):

- Financial results for the quarter ended 30th June, 2019	Aug, 2019
- Financial results for the quarter ending 30th September, 2019	Oct/ Nov, 2019
- Financial results for the quarter ending 31st December, 2019	Jan/Feb, 2020
- Financial results for the quarter/year ending 31st March, 2020	April/May, 2020

Listing on Stock Exchanges:

The Equity Shares of the Company are listed at the following Stock Exchanges:

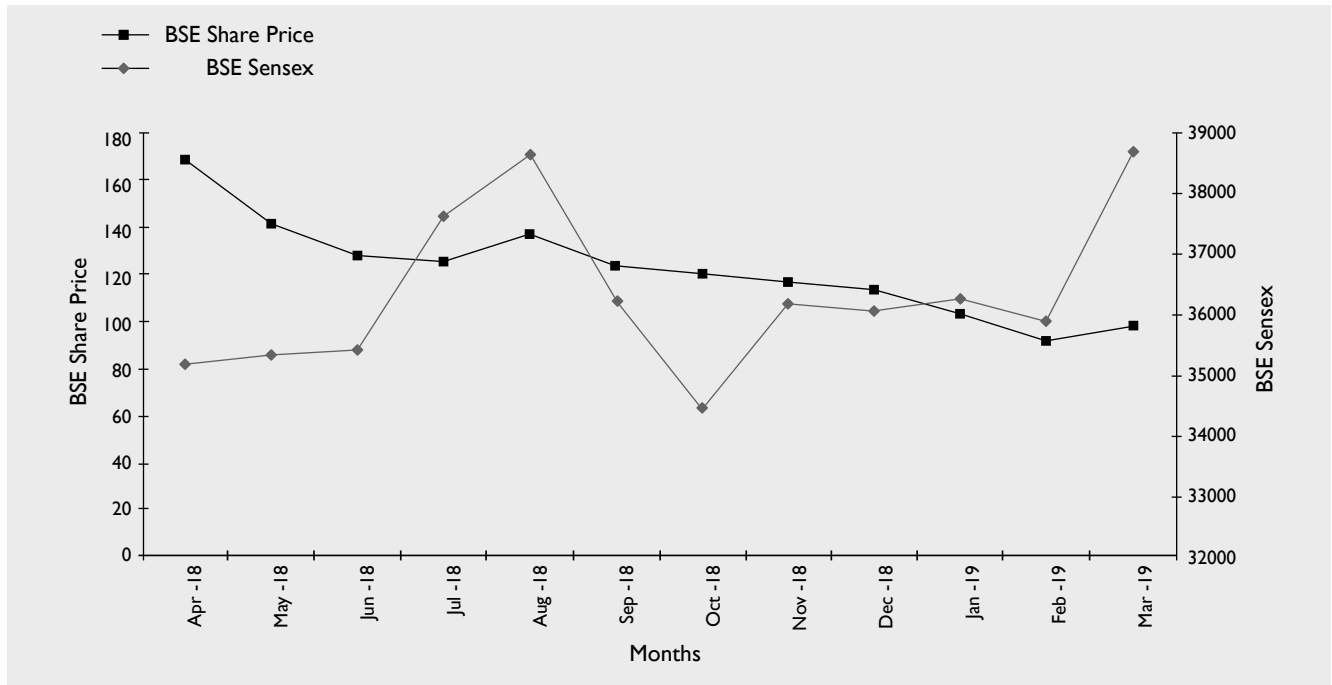
- i) BSE Limited, 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
- ii) National Stock Exchange of India Limited, 'Exchange Plaza', Bandra – Kurla Complex, Bandra (East), Mumbai - 400 051.

The listing fee for the financial year 2019-20 has been paid to NSE and BSE.

Stock Code:	BSE	511034
	NSE	JINDRILL
	NSDL/ CDSL – ISIN	INE742C01031

Stock Market Price Data for the year 2018-19

Month	JDIL BSE Price (₹)		BSE SENSEX	
	High	Low	High	Low
April, 2018	190.00	148.90	35213.30	32972.56
May, 2018	169.70	141.05	35993.53	34302.89
June, 2018	145.00	126.00	35877.41	34784.68
July, 2018	131.90	115.50	37644.59	35106.57
August, 2018	147.65	121.10	38989.65	37128.99
September, 2018	142.40	120.80	38934.35	35985.63
October, 2018	133.20	110.40	36616.64	33291.58
November, 2018	139.30	116.00	36389.22	34303.38
December, 2018	119.90	106.50	36554.99	34426.29
January, 2019	116.90	101.35	36701.03	35375.51
February, 2019	104.70	89.15	37172.18	35287.16
March, 2019	111.00	90.20	38748.54	35926.94

INDEX COMPARISON – COMPANY’S SHARE PRICE vs. SENSEX
 (Closed price and Closed Sensex considered)

Distribution of Shareholding as on 31st March 2019

No. of Equity Shares held	No. of Accountholders (Demat & Folios)	% of Accountholders	No. of Shares held	% of Shareholding
Upto 500	15444	90.33	1697857	5.86
501 to 1000	868	5.08	696595	2.40
1001 to 10000	711	4.16	1912575	6.60
10001 to 100000	53	0.31	1653739	5.71
100001 to 500000	12	0.07	2751150	9.49
500001 and above	9	0.05	20269188	69.94
TOTAL	17097	100.00	28,981,104	100.00

Shareholding Pattern as on 31st March, 2019:

Category	No. of shares held	% of holding
Promoters & Promoter Group	19133359	66.02
Financial Institutions/ Banks	39759	0.14
Mutual Funds	97625	0.34
Foreign Portfolio Investors	8000	0.03
Others	200	0.00
Central Government (IEPF)	39666	0.14
Bodies Corporate	4422159	15.25
Indian Public	4411499	15.22
NRIs / OCB	500873	1.73
Resident/ HUF	281013	0.97
Trust	1500	0.00
Clearing Members	45451	0.16
Grand Total	28,981,104	100.00

Dematerialization of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form. As on 31st March, 2019 - 99.74 % of total equity shares were held in dematerialized form.

Outstanding GDR / Warrants and Convertible Bonds, conversion date and likely impact on equity:

There are no outstanding GDR/Warrants and Convertible Bonds etc.

Operations : Rigs & Directional Drilling equipments operating at Mumbai offshore.
: Mud logging operations onshore & offshore.

Registrar and Share Transfer Agents:

Alankit Assignments Limited,
Alankit Heights,
1E/13, Jhandelwala Extension,
New Delhi – 110 055
Phone: 011-23541234, 42541234
Fax: 011-42541967
E-mail: rta@alankit.com

Share Transfer System:

Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat requests are normally confirmed within the prescribed time from the date of receipt.

Investors' correspondence address

Shareholders' correspondence should be addressed to the Registrar and Transfer Agent at the address given here above.

Shareholders holding shares in dematerialized form should address all their correspondence to their respective Depository Participants

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

(Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of

Jindal Drilling and Industries Limited

1. This report contains details of compliance of conditions of Corporate Governance by Jindal Drilling and Industries Limited ('the Company') for the year ended 31 March, 2019 as stipulated in regulations 17 to 27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the National Stock Exchange Limited and the Bombay Stock Exchange Limited (collectively referred to as the 'Stock exchanges').

Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

3. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31 March 2019.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KANODIA SANYAL & ASSOCIATES

Chartered Accountants

FRN. 008396N

Place : New Delhi

Dated : 7th August, 2019

PALLAV KUMAR VAISH

Partner

(Membership No. 508751)

ICAI UDIN : I9508751AAACT9726

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

DIRECTORS (pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of

Jindal Drilling and Industries Limited

Pipe Nagar, Village Sukeli, N.H. 17, BKG Road,

Taluka- Roha, Distt. Raigad, Maharashtra-402126

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Jindal Drilling and Industries Limited having CIN: L27201MH1983PLC33813 and having registered office at Pipe Nagar, Village Sukeli, NH 17, BKG Road, Taluka – Roha, Distt. Raigad – 402126 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority,

except Mr. _____ (DIN _____) who has been debarred/ disqualified by [give name of Statutory Authority and reason]. None

Sr. No.	Name of Director	DIN	Original date of appointment	Date of appointment at current designation
1	Mr. DP Jindal	00405579	17/10/1983	31/03/2015
2	Mr. Raghav Jindal	00405984	19/05/1998	13/08/2018
3	Mr. KK Khandelwal	00455369	24/03/2000	26/09/2014
4	Mr. Vijay Kaushik	02249672	26/03/2009	26/09/2014
5	Mrs. Saroj Bhartia	00088456	24/05/2014	26/09/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : New Delhi

Dated : 7th August, 2019

(Name Narain Agarwal)
FCS 234, CP 3331

MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD LOOKING STATEMENT

The statements in the Directors' Report and Management Discussion and Analysis Report contains "forward-looking statements" about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expression for future are forward-looking statements.

Forward-looking statements should be viewed in the context of many risk issues, and events that could cause the actual performance to be different from that contemplated in the Directors' Report and Management Discussion and Analysis Report, including but not limited to, risks arising from uncertainties as to future Oil & Gas prices and their impact on investment programs by oil & gas companies and domestic, economic and political conditions. We cannot assure that outcome of the forward looking statement will be realized and disclaim any duty to update any information in the same.

OIL INDUSTRY BRIEF

Oil price fluctuations have been limited to a reasonable range after another period of volatility. Crude markets have tightened this year as the USA imposed sanctions on oil exporters Iran and Venezuela, while the producer club i.e. OPEC have been withholding supply to boost up prices. The intended impact of the decision was met with temporary resistance due to supply disruption in Libya and a stricter stance of USA towards their sanctions on Iran causing prices to rise near the USD 70-80/barrel range again.

These recent political developments have led to the view that the current price levels are one that establishes a common ground between consumers who are relieved from the relatively higher price levels of USD 70-80/barrel and producers who find these levels lucrative enough to sustain production and investment without any fears of demand destruction. Recent studies have shown that world oil demand will increase by 1.3 million barrels per day in 2019-20.

Over past 1 year, significant increase in offshore drilling activities has been observed around the world, pushing jack-up rig utilization to 70-80% which is great sign for price improvement and all the recent contract awards are at higher prices than the immediately previous contract price in all the respective regions.

Your Company continues to understand the vagaries of this market and will expand its growth in this industry. As the lowest cost supplier of drilling services, your Company continues to move forward in the oil industry.

REVIEW OF OPERATIONS

Your Company's performance is directly influenced by the activities in the oil & gas sector. However, in spite of continued difficult market conditions, the core operations of your Company remain profitable. Your Company has used this as an opportunity to become more efficient and conducted detailed internal reviews to weed out any inefficiencies. In line with this, your Company has purchased a jack-up rig 'Discovery-I' thereby expanding its operations. Short term bank borrowings are restricted to need based capital requirements. Operational surpluses continue to be invested to earn reasonable returns with a high degree of safety. We have also continued our sharpened focus on working capital efficiency

Your Company continues to perform in an excellent manner in 2 ONGC contracts for rigs 'Jindal Supreme' and 'Jindal Explorer' and for all directional drilling contracts and mud logging contracts. These rigs commenced operations in May 2016 and May 2018 respectively. Both operating rigs have excellent operational efficiency (in excess of 99%) similar to the other rigs that your Company has previously taken on charter-hire. Two more long term ONGC contracts were received by your Company for rigs 'Discovery I' and 'Jindal Star' this year and expect to start operations shortly in 2019. The performance of your Company has also been significantly driven by directional drilling activities and your Company is expected to perform on a larger scale in this segment.

Summary of operating performance (including claims):

Particulars	FY 2018-19	FY 2017-18
Revenue from Operations (₹ in lakhs)	20,739	14,894
Profit before tax (₹ in lakhs)	4,033	(2,783)
Earnings per share (₹)	15.55	(5.22)

Key financial Ratios:

Ratios	Explanation	31-03-2019
Debtors Turnover	Net Sales/Avg Debtors	2.05
Inventory Turnover	Net Sales/Avg Stock	22.82
Interest Coverage Ratio	EBIT/Interest Expenses	4.22
Current Ratio	CA/CL	1.34
Debt Equity Ratio#	LTD / Equity	-
Operating Profit Margin (%)	-	30.54%
Net Profit Margin (%)	-	19.45%

Since the company has no long term debts, hence it is zero.

HUMAN RESOURCES

Your Company recognises that its people are the primary source of its competitiveness and firmly believe that its Human Resources are one of the biggest strengths and major driving force behind its success and growth. We strive continuously to foster a climate of openness, discipline, trust and team work. We reiterate our focus on encouraging investments in people through merit oriented pay revisions and differential pay reviews.

Your Company's management firmly believes that strong and stable industrial relations are essential for the success of any organisation. Over the years the management has made sincere and continued efforts for the development of an atmosphere of mutual cooperation, confidence and respect duly recognising rights of all workers.

We also strive for empowerment and safety of women. As a responsible employer, we have laid down strict guidelines for the prevention of sexual harassment of women at work place providing them with a forum for grievance redressal (if any).

We review policies and practices with a view to make them contemporary and uniform in application. We implement new activities to ensure our employees are engaged and motivated. For better control and improved productivity, pioneering steps and measures are taken constantly.

The commitment and passion of our people is one of the key factor that has sustained us in this difficult period.

RISK MANAGEMENT

Risk management is an integral part of the way your Company works. Your Company's business activities are subject to various risk and threats associated to its business and the industry in which it operates. Your Company recognises that these risks need to be managed to protect its customers, employees, shareholders and other stakeholders to achieve its business objectives and enable sustainable growth. Effective identification, assessment and management of all these risks is of prime importance to the Company.

The oil and gas industry is high risk industry and needs special focus on the safety of operations. Operations of JDIL have been very safe due to meticulous safety checks and following recommended maintenance schedules. In the present scenario of the industry getting sustainable operating rates and long duration contracts is the area of concern to one and all.

INTERNAL CONTROL SYSTEM

Your Company has a robust system of internal controls for all major processes to ensure reliability of reporting. The system also helps management to have timely data and feedback on various operational parameters for effective review. It also ensures proper safeguarding of assets. The internal control system of your Company is commensurate with its size, scale and complexity of its operations. The systems and controls are periodically reviewed and modified based on the requirement.

Scope of internal audit is prepared on basis of the internal control framework. Audit Committee critically reviews the observations of the internal audit report and acts to ensure compliance is completed. This control system also provides comfort to the management of your Company.

ENVIRONMENT, CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY

Your Company believes that a clean environment fosters health and prosperity for the individual and the community at large. We ensure that best environment engineering controls are adopted at our various locations. These controls aim to prevent accidents and stop any hazards to health. The policies of your Company give highest priority to safety, environment protection and well being of its employees.

As a responsible corporate citizen, your Company is a strong believer in giving back to the society. CSR initiatives help elevate the quality of life of the people by promoting healthcare, education and employment opportunities. Your Company has undertaken numerous initiatives aimed at developing local community and aims to continue its efforts to build on its tradition of social responsibility to empower communities.

Statement of particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2019

Details of top ten employee except Managing Directors:

Sl. No	Name	Designation	Gross Remuneration ₹	Nature of employment	Qualification (Years)	Experience	Nature of duties	Date of Commencement of employment (in Jindal)	Age (Years)	last employment held before joining the Company, designation	Percentage /Nos. of Equity Share of the Company held by the Employee
1	Chanchal Singh	Tool Pusher	₹ 5356500	Drilling Operations	SSC	30	Drilling / Operations	04-04-2016	57	Hallworthy-Toolpusher	NIL
2	Fulchand Patel	Tool Pusher	₹ 5092200	Drilling Operations	SSC	23	Drilling / Operations	21-04-2016	52	Aban-Driller	NIL
3	Dinesh Awashthi	Tool Pusher	₹ 5077200	Drilling Operations	HSC	35	Drilling / Operations	18-07-2016	55	Aban-Toolpusher	NIL
4	F Paul Arockia Raj	Chief Mechanic	₹ 4579200	Drilling Operations	Diploma in Mechanical Engg	19	MECHANICAL DEPT	11-10-2008	42	Keppelfels - Opt Mechanic	NIL
5	Amarjit Singh Rait	Tool Pusher	₹ 4135200	Drilling Operations	ITI	28	Drilling / Operations	21-04-2016	48	Weatherford drilling International - NTP	NIL
6	Satish Chandra Yadav	Chief Mechanic	₹ 4110700	Drilling Operations	Diploma in Electrical Engg	27	MECHANICAL DEPT	18-09-2017	47	Jagson International Ch. Mechanic	NIL
7	Raghibir Singh	Driller	₹ 4089200	Drilling Operations	SSC	22	Drilling / Operations	25-04-2017	46	Dynamic Drilling and Services Pvt. Ltd - Driller	NIL
8	Nidhish Kumar	Tool Pusher	₹ 3941100	Drilling Operations	BE MECHANICAL	12	Drilling / Operation	22-11-2006	34	Jindal, GET	NIL
9	Bhoop Singh	Driller	₹ 3686700	Drilling Operations	SSC	29	Drilling / Operations	01-04-2016	56	Dynamic Drilling and Services Pvt. Ltd - Driller	NIL
10	Vinod Kumar Gupta	Rig Superintendent	₹ 3659548	Drilling Operations	BE MECHANICAL	33	Drilling / Operation	26.03.2018	64	Dynamic Drilling & Services Pvt Ltd, Drilling Suptd	NIL

**STANDALONE
FINANCIAL
STATEMENTS**

INDEPENDENT AUDITOR'S REPORT

To the Members of

Jindal Drilling & Industries Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Jindal Drilling & Industries Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'standalone Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March, 2019, and its Profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statement of the current period. These matters were addressed in the context of our audit of the standalone financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have determined that there are no key audit matters to be communicated in our report.

Emphasis of Matter

We draw attention to Note 37 (iv) in the standalone financial statements the company had given a loan of USD 17 Million (16 million in FY 2014-15 and 1 million in FY 2015-16) to Internovia Natural Resources FZ LLC. From the inception, no interest was received as the Borrower Company was facing the problem in their business. Now, the Company has done settlement with internovia Natural Resources FZ LLC. The company has received the Principal amount in full In May 2019, however, interest amount has been written off during the Financial Year.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility report, Corporate Governance and shareholder's information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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

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

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

Auditors' Responsibility for the Audit of the Standalone Financial Statements

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

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

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

Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and operating effectiveness of such controls.

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order:
2. As required by Section 143(3) of the Act, we report that :
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
 - e. on the basis of the written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year in accordance with the provisions of section 197 of the Act.
 - h. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended) , in our opinion and to the best of our information and according to the explanations given to us :
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer to Note 37 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

For **KANODIA SANYAL & ASSOCIATES**
Chartered Accountants
FRN: 008396N

Place : Gurugram
Date : 29th May 2019

(R K Kanodia)
Partner
Membership no. : 016121

Annexure - A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) in our opinion and according to the explanations given to us, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at year end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- (iii) The Company has granted unsecured loans body corporate covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'); and with respect to the same:
- (a) In our opinion, rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
- (b) In the case of the loans granted to the body's corporate listed in the register maintained under Section 189 of the Act, the borrowers have been regular in the payment of interest except note no. 37(iv) to the financial statement and the principal amounts are being received/renewed on the due dates.
- (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable
- (vi) The Central Government has not prescribed the maintenance of cost under section 148(1) of the Act, for any services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, ESI, income tax, goods and service tax, duty of customs, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, ESI, income tax, good and service tax, duty of customs, cess and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, Goods and service tax, Custom duty and cess have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of dues	Amount Disputed (Rs/Lacs)	Forum where dispute is pending
I. Income Tax Act	Income Tax demand	199.32	ITAT A.Y.2008-09 to 2010-11
	Income Tax demand	92.98	ITAT A.Y. 2011-12
	Income Tax demand	92.56	ITAT A.Y.2012-13
	Income Tax demand	103.02	ITAT A.Y 2013-14
	Income Tax demand	24.33	CIT(A) AY 2014-15
	Income Tax demand	2719.56	CIT(A) AY 2015-16

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, during the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For **KANODIA SANYAL & ASSOCIATES**
Chartered Accountants
FRN: 008396N

Place : Gurugram
Date : 29th May 2019

(R K Kanodia)
Partner
Membership no. : 016121

Annexure - B to the Independent Auditor's Report**Independent Auditor's Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of Jindal Drilling & Industries Limited ('the Company') as of 31st March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KANODIA SANYAL & ASSOCIATES**

Chartered Accountants

FRN: 008396N

Place : Gurugram

Date : 29th May 2019

(R K Kanodia)

Partner

Membership no. : 016121

BALANCE SHEET AS AT 31ST MARCH 2019

(₹ in Lakhs)

Particulars	Note	As at 31st March 2019	As at 31st March 2018
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	3	4,256.07	5,007.31
Capital Work in Progress	3	51,879.30	-
Investment Property	4	967.09	1,381.68
Other Intangible Assets	5	80.00	30.07
Financial Assets			
i. Investments	6(A)	18,661.76	18,661.76
ii. Loans	7	50,427.32	38,575.64
iii. Other Financial Assets	8	6,229.20	4,800.83
Deferred Tax Assets	9	688.47	1,585.35
		<u>1,33,189.21</u>	<u>70,042.64</u>
Current Assets			
Inventories	10	790.53	1,026.96
Financial Assets:			
i. Investments	6(B)	121.29	310.18
ii. Trade Receivables	11	10,021.45	10,209.95
iii. Cash and Cash Equivalents	12	2.69	5.79
iv. Bank balances other than (iii) above	12	410.89	222.60
v. Loans	13	11,753.80	11,078.90
Other Current Assets	14	4,279.96	4,944.99
		<u>27,380.61</u>	<u>27,799.37</u>
		<u>1,60,569.82</u>	<u>97,842.01</u>
Total Assets			
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	1,449.06	1,449.06
Other Equity	16	85,264.70	82,417.51
		<u>86,713.76</u>	<u>83,866.57</u>
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	17(A)	36.47	41.73
Other Non-current liabilities	17(B)	51,868.13	-
Deferred Tax Liabilities	9	1,513.19	2,087.27
		<u>53,417.79</u>	<u>2,129.00</u>
Current Liabilities			
Financial Liabilities:			
i. Borrowings	18	16,313.00	6,307.54
ii. Trade Payables	19		
A). Total outstanding dues of MSME		77.37	-
B). Total outstanding dues creditors other than MSME		2,408.36	2,006.21
Other Current Liabilities	20	1,627.74	3,523.12
Provisions	21	11.80	9.57
		<u>20,438.27</u>	<u>11,846.44</u>
		<u>1,60,569.82</u>	<u>97,842.01</u>
Total Equity & Liabilities			

The accompanying notes are an integral part of the Financial Statements.

Significant accounting policies and notes on financial statements I - 48

As per our report of even date

 For **KANODIA SANYAL & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 008396N

R K Kanodia
Partner
Membership No. 016121
PAWAN KUMAR RUSTAGI
CFO
PAN: AACPR8012M
Saurabh Agrawal
Company Secretary
ACS: 36163

For & on Behalf of the Board of Directors

D. P. JINDAL

Chairman

DIN: 00405579

RAGHAV JINDAL

Managing Director

DIN: 00405984

K. K. KHANDELWAL

Director

DIN: 00455369

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(₹ in Lakhs)

Particulars	Note	Year Ended 31st March 2019	Year Ended 31st March 2018
INCOME			
Revenue from operations	22	20,739.37	14,893.97
Other Income	23(a)	5,391.65	4,481.19
Total Income		26,131.02	19,375.16
Expenses			
Operating expenses	24	14,211.92	9,765.67
Employee benefits expense	25	3,301.54	2,712.64
Finance cost	26	1,254.52	293.22
Depreciation and amortization expense	3,4,5	893.56	918.03
Other expenses	27	2,435.07	8,468.16
Total Expenses		22,096.61	22,157.72
Profit before exceptional items and tax		4,034.41	(2,782.56)
Exceptional Items		-	-
Profit before tax		4,034.41	(2,782.56)
Tax expenses			
Current Tax		765.81	-
MAT Credit		(16.56)	-
Deferred tax	9	(126.70)	(1,235.44)
Total tax expenses		622.55	(1,235.44)
Profit for the year		3,411.86	(1,547.12)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		7.94	54.96
Income tax relating to these items		(2.31)	(19.02)
		5.63	35.94
Items that will be reclassified to profit or loss			
Change in cash flow hedging		(65.20)	29.78
Reclassification of Foreign Currency Translation Reserve Account		1,766.95	163.95
Change in fair value of equity instrument		(166.10)	(193.43)
Income tax relating to these items		(447.18)	(0.10)
		1,088.47	0.20
		1,094.10	36.14
Total Comprehensive Income for the Year (Comprising profit and other comprehensive income for the year)		4,505.96	(1,510.98)
Earning per equity share of Rs. 5 each (in ₹)			
Basic		15.55	(5.21)
Diluted		15.55	(5.21)

The accompanying notes are an integral part of the Financial Statements.

Significant accounting policies and notes on financial statements I-48

As per our report of even date

 For **KANODIA SANYAL & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 008396N

R K Kanodia
Partner
Membership No. 016121

Place : Gurugram

Date : 29th May 2019

PAWAN KUMAR RUSTAGI

CFO

PAN: AACPR8012M

Saurabh Agrawal

Company Secretary

ACS: 36163

For & on Behalf of the Board of Directors

D. P. JINDAL

Chairman

DIN: 00405579

RAGHAV JINDAL

Managing Director

DIN: 00405984

K. K. KHANDELWAL

Director

DIN: 00455369

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

		(₹ in Lakhs)	
Particulars	Note	Equity Capital	
As at 1st April, 2018	15	1,449.06	
Change in equity share capital		-	
As at 31st March, 2019	15	1,449.06	

B. Other Equity

Particulars	Note	Reserves & Surplus			Equity Instrument through OCI	Effective portion of Cash Flow Hedging	Foreign Currency translation reserve	Total
		Securities Premium Reserve	General Reserve	Retained Earnings				
Balance as at 1st April 2018	16	29,613.35	24,562.94	26,917.96	(95.45)	39.28	1,379.43	82,417.51
Total comprehensive income for the year ended 31 March 2019								
Profit or loss		-	-	2,860.14	-	-	-	2,860.14
Other comprehensive income	24(a)	-	-	5.63	(117.73)	(42.42)	316.26	161.74
Total comprehensive income		-	-	2,865.77	(117.73)	(42.42)	316.26	3,021.88
Transferred from retained earnings		-	-	(3.14)		3.14	-	-
Proposed Dividend & Tax		-	-	(174.69)				(174.69)
Balance as at 31st March 2019		29,613.35	24,562.94	29,605.90	(213.18)	-	1,695.69	85,264.70

As per our report of even date

 For **KANODIA SANYAL & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 008396N

R K Kanodia
 Partner

Membership No. 016121

Place : Gurugram

Date : 29th May 2019

PAWAN KUMAR RUSTAGI

CFO

PAN: AACPR8012M

Saurabh Agrawal

Company Secretary

ACS: 36163

For & on Behalf of the Board of Directors

D. P. JINDAL

Chairman

DIN: 00405579

RAGHAV JINDAL

Managing Director

DIN: 00405984

K. K. KHANDELWAL

Director

DIN: 00455369

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	4,034.41	(2,782.56)
Adjustments for :		
Depreciation & amortization expenses	893.56	918.03
Gain / (Loss) on foreign currency translation reserve	1,766.95	163.95
Gain / (Loss) on Cash flow hedge through OCI	(65.20)	29.78
Remeasurement of employee benefit obligation	7.94	54.96
Interest income	(2,146.23)	(2,031.48)
Change in fair value of security deposits	-	(204.09)
Notional (Gain) / Loss on mutual funds investments	-	1,223.00
Notional fair value gain on interest free loan & advances	(41.04)	(163.80)
MAT Credit	16.56	-
Finance cost	1,254.52	293.22
Loss/(Profit) on Sale of PPE	84.68	-
Profit on Sale of Investments	(355.81)	(1,267.30)
Exchange Rate Fluctuations	(2,700.97)	(10.47)
Operating Profit before working capital changes	2,749.37	(3,776.76)
Adjustments for :		
Trade and other Receivables	(283.80)	(2,344.31)
Inventories	236.43	320.24
Trade payables & Other liabilities	(1,418.88)	(101.86)
Cash generated from operations	1,283.12	(5,902.69)
Income Taxes paid - net of refund	(514.86)	(762.34)
NET CASH FROM OPERATING ACTIVITIES	768.26	(6,665.03)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of property, plant & equipment	(52,506.88)	(700.29)
Sale of investment property	769.19	-
Payments of intangible assets	(69.78)	-
Proceeds from sale of property, plant & equipment	420.10	130.93
Loans to Joint Venture & Other Companies (net)	(11,810.64)	1,410.38
Purchase of Current Investments	(7,700.00)	-
Sale of current investment	7,724.33	5,702.25
Interest income	2,146.23	2,031.48
NET CASH USED IN INVESTING ACTIVITIES	(61,027.45)	8,574.75
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Short Terms borrowings and Cash Credit	10,005.46	(1,440.26)
Increase in long term liabilities	51,868.13	-
Dividend paid	(144.90)	(144.91)
Tax paid on Dividend	(29.79)	(29.49)
Finance cost	(1,254.52)	(293.22)
NET CASH USED IN FINANCING ACTIVITIES	60,444.38	(1,907.88)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	185.19	1.84
Opening Balance of Cash and Cash equivalents	228.39	226.55
Closing Balance of Cash and Cash equivalents	413.58	228.39
CHANGE IN CASH AND CASH EQUIVALENTS	185.19	1.84

As per our report of even date

For & on Behalf of the Board of Directors

 For **KANODIA SANYAL & ASSOCIATES**
 Chartered Accountants
 Firm's Registration No. 008396N

D. P. JINDAL
 Chairman
 DIN: 00405579

R K Kanodia
 Partner
 Membership No. 016121

PAWAN KUMAR RUSTAGI
 CFO
 PAN: AACPR8012M

RAGHAV JINDAL
 Managing Director
 DIN: 00405984

 Place : Gurugram
 Date : 29th May 2019

Saurabh Agrawal
 Company Secretary
 ACS: 36163

K. K. KHANDELWAL
 Director
 DIN: 00455369

NOTES FORMING PART OF FINANCIAL STATEMENT

Corporate Information

Jindal Drilling & Industries Limited (JDIL) is a company limited by shares, incorporated on 17th October' 1983 under the companies Act' 1956 and has its registered office at Raigad (Maharashtra) and head office at Delhi. JDIL's shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). JDIL is engaged in providing services to entities involved in exploration of Oil & Gas.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for M/s Jindal Drilling & Industries Limited.

a) Basis of preparation & presentation

The financial statements have been prepared on a historical cost basis which has been consistently applied, except for the following asset and liabilities which have been measured at fair value amount:

- i) Certain financial assets and liabilities (including derivative instruments),
- ii) Defined benefit plans – plan assets

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) (Amendment), Rules, 2016 .

Company's financial statements are presented in Indian Rupees, which is also its functional currency.

b) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment loss. Historical Cost comprises the cost of acquisition / purchase price inclusive of duties, not recoverable taxes, incidental expenses, erection /commissioning expenses, borrowing cost etc. up to the date the asset is ready for its intended use. Credit of duty, if availed, is adjusted in the acquisition cost of the respective assets. Capital Works-in-Progress is carried at cost, comprising direct cost, related incidental expenses and interest on borrowings to the extent attributed to them.

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

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on property, plant and equipment acquired / capitalized on or before 31st March 2007 is provided using written down value (WDV) method and thereafter assets acquired / capitalized is provided using straight line method (SLM). Depreciation on property, plant and equipment is provided on pro-rata basis, based on the useful life as per Schedule II of the Companies Act 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II.

Particulars	Depreciation
Cost of Leasehold land	Over the period of lease term
Assets cost less than ₹ 10,000/-	100%

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gain or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the Statement of Profit and Loss when the asset is derecognised.

c) Intangible Assets

Intangible assets are stated at cost less accumulated amortization / depletion and impairment loss. Cost comprises the cost of acquisition / purchase price inclusive of duties, taxes, incidental expenses, erection /commissioning expenses, borrowing cost etc. up to the date the asset is ready for its intended use. Credit of duty, if availed, is adjusted in the acquisition cost of the respective assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Gain or losses arising from derecognition of a intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortization of intangible assets acquired / capitalized on or before 31st March 2007 is provided using written down value (WDV) method and thereafter assets acquired / capitalized is provided using straight line method (SLM).

A summary of amortization policies applied to the companies intangible assets to the extent of depreciable amount is, as follows;

Particulars	Depreciation
Computer Software	Over a period of 5 Years
Drilling RIG Software	Over the period of 10 Years

d) Investment Property

Property that is held for long-term rental yield or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The company adopt the cost model as its accounting policy to measure all of its investment property. The Fair value model is not allowed but only disclosure of fair value of investment property is required even though the cost model is followed.

Investment properties are depreciated using the straight line method over their estimated useful lives. Investment properties generally have useful lives of 30 years except lease hold property which is depreciated over its period of lease.

e) Foreign currency transaction

i) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

ii) Translations and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Exchange difference arising on reporting / settlement of long term foreign currency monetary items (other than depreciable non-current assets) at rates different from those at which they are initially recorded during the period which were earlier being recognised in the statement of profit & loss are now being accumulated in "Foreign Exchange transaction Reserve" and would be accounted for in the statement of profit & loss in the year in which transaction is complete.

f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and service taxes and amounts collected on behalf of third parties. Revenue is recognized on the basis of rendering of services to customers in accordance with the respective Contracts / Agreements.

Interest income

Interest income from loans / debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

g) Income Tax

Current Tax:

Provision for Taxation is ascertained on the basis of assessable profit computed in accordance with the provisions of Income Tax Act, 1961 & tax advices, wherever considered necessary.

Deferred Tax:

Deferred Tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income & accounting income computed for the current accounting year and reversal of earlier years' timing difference. Deferred Tax Assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carry forward losses, which are recognised to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

h) Leases

Offices Premises taken on lease under which, all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating lease are recognized as expense on accrual basis in accordance with the respective lease agreements.

i) Impairment of Assets

At each balance sheet date, the Company assesses whether there is any indication that an asset is impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit and loss to the extent the carrying amount exceeds recoverable amount.

j) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

k) Trade receivables

Trade receivables are recognised initially at carrying value and subsequently re-measured at amount that would actually be received.

l) Inventories

Stores, Spares and other items required for operation are treated as consumed as and when sent to drilling rig. Stocks in hand are valued at cost or net realisable value, whichever is lower. Cost in respect of Stores & Spares is determined on FIFO basis.

m) Investments and other financial assets**Classification**

The company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Measurement

At initial recognition, the company measures a financial asset at its fair value. If financial asset not measured at fair value, the transaction costs that are directly attributable to the acquisition of the financial asset will be added to cost of financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

A financial liability except derivative financial instrument measured at fair value through profit or loss. Derivative financial instruments are designated as hedging instruments in hedge relationships and measured at fair value through other comprehensive income. All changes in the fair value of such liability are recognized in the statement of profit and loss.

Cash flow hedge

The Company designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

n) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their carrying value and subsequently measured at amortised cost using the effective interest method.

o) Borrowing cost

Borrowing costs directly attributable to the acquisition or construction of the qualifying assets are capitalised as a part of the cost of asset up to the date when such asset is ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

p) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Liabilities which are material, and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent, and disclosed by way of notes to the accounts.

Contingent Assets are neither recognized nor disclosed in the financial statement. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

q) Employee Benefits

Short Term Employee Benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Payment to defined contribution retirement benefit scheme, if any, is charged as expenses as they fall due.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the Payment of Gratuity Act 1972. The gratuity liability amount is contributed to the approved scheme of LIC formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

r) Earnings per share

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

s) Claims Recoverable

The claims in respect of fixed assets lost during the process of drilling (lost in hole) are recognised on the basis of invoices raised and correspondingly the depreciated value of the fixed assets lost in hole is charged off. Any deductions made from the claims raised are recognised on receipt of intimation in respect of the same.

t) Prepaid Expenses

Prepaid expense is not recognised in cases where total amount spent is ₹10,000/- or less. Such expenses are charged to statement of profit and loss.

u) Event Occurring after the Balance Sheet Date

Events occurring after the Balance Sheet Date and till the date on which the Financial Statement are approved, which are material in the nature and indicate the need for adjustments are considered in the financial statement.

v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Note 2: Estimates

The presentations of financial statements is in conformity with the generally accepted accounting principles which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized.

Note 3 - Property, plant and equipment and capital work in progress

(₹ in Lakhs)

Particulars	Building	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total - (A)	CWIP (B)	Total (A+B)
Year ended 31 March 2019								
Gross carrying amount	417.10	7,406.15	45.98	307.22	68.40	8,244.85	-	8,244.85
Deemed cost as at 1 April 2018	-	601.61	6.54	10.29	9.15	627.59	51,879.30	52,506.89
Additions	-	(512.02)	-	(5.11)	(0.10)	(517.23)	-	(517.23)
Disposals	-	-	-	-	-	-	-	-
Asset transfer from CWIP to building	-	-	-	-	-	-	-	-
Classified as Investment Property	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-
Closing gross carrying amount	417.10	7,495.74	52.52	312.40	77.45	8,355.21	51,879.30	60,234.51
Accumulated depreciation								
Opening Accumulated Depreciation	30.86	3,014.27	8.90	158.47	25.04	3,237.54	-	3,237.54
Depreciation for the year	13.38	785.81	4.90	44.66	12.85	861.60	-	861.60
Classified as Investment Property	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-
Closing accumulated depreciation	44.24	3,800.08	13.80	203.13	37.89	4,099.14	-	4,099.14
Net Carrying amount 31 March 2019	372.86	3,695.66	38.72	109.27	39.56	4,256.07	51,879.30	56,135.37
Net Carrying amount								
At 31 March 2018	386.24	4,391.88	37.08	148.75	43.36	5,007.31	-	5,007.31
At 31 March 2019	372.86	3,695.66	38.72	109.27	39.56	4,256.07	51,879.30	56,135.37

*The company opted to use the previous GAAP carrying values as deemed cost at the transition date for all its PPE, Investment Property and Intangible Assets.

* During the year 31 March 2016, Land & Building were reclassified as Investment property because management decided to lease the said property to third party.

Note 4 - Investment Property

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Gross carrying amount		
Opening gross carrying amount / Deemed Cost	1,431.50	1,431.50
Additions	-	-
Disposal	(402.47)	-
Closing gross carrying amount	1,029.03	1,431.50
Accumulated depreciation		
Opening accumulated depreciation	49.82	35.00
Depreciation charge	12.12	14.82
Closing Accumulated depreciation	61.94	49.82
Net carrying amount	967.09	1,381.68

*The company opted to use the previous GAAP carrying values as deemed cost at the transition date for Investment Property.

Note 5 - Other Intangible Assets

(₹ in Lakhs)

Particulars	Software	Total
Year ended 31 March 2019		
Gross carrying amount		
Deemed cost as at 1 April 2018	55.09	55.09
Additions - Others	69.78	69.78
Additions - Internally developed	-	-
Exchange Differences	-	-
Closing gross carrying amount	124.87	124.87
Accumulated depreciation		
Opening Accumulated Amortisation	25.02	25.02
Amortisation for the year	19.85	19.85
Impairment charge	-	-
Exchange Differences	-	-
Closing accumulated depreciation	44.87	44.87
Net Carrying amount 31 March 2019	80.00	80.00

Net Carrying amount

At 31 March 2018	30.07	30.07
At 31 March 2019	80.00	80.00

*The company opted to use the previous GAAP carrying values as deemed cost at the transition date for Intangible Assets.

Note 6 - Investments
A. Non-current investments at amortised cost

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
i). Unquoted equity shares of JV companies		
Equity Shares of Joint Venture Companies :		
i) 1,14,37,830 Shares in Discovery Drilling Pte. Ltd of SGD 1 each *	7,411.97	7,411.97
ii) 1,39,83,375 Shares in Virtue Drilling Pte. Ltd of SGD 1 each **	11,247.41	11,247.41
ii). Unquoted equity shares of other companies		
14 Shares in Internovia Natural res FZ LLC of AED 1000 each	2.37	2.37
	18,661.75	18,661.75
iii). Unquoted equity shares of other entities		
i) 5 Shares in Taloja CETP Co. Society Ltd of Rs. 100 each	0.01	0.01
Total - (i)	18,661.76	18,661.76

* Investments in Discovery Drilling Pte. Ltd. pledged with Banks/ Financial Institution against borrowings by Rig Owning Company from whom Rig has been taken on charter hire.

** Investments in Virtue Drilling Pte. Ltd. pledged with Banks/ Financial Institution against borrowings by Virtue Drilling Pte. Ltd.

B - Current Investments at fair value

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Amount in Rs. Lacs	Amount in Rs. Lakhs
i). Investment in Shares through FVOCI		
183296 Shares of Electrosteel Steels Limited of ₹10 each	56.82	219.96
7534 Shares of Jindal Steel & Power Limited of ₹1 each	13.54	16.51
Total - (i)	70.36	236.47
ii). Investment under Portfolio Management Services at fair value		
Religare Credit Investment Trust		
Total - (ii)	50.93	73.71
Total (i to ii)	121.29	310.18

* Non-current investments are recognised initially at carrying value while short term investments except investments in quoted equity share are recognised initially at fair value through FVTPL .

* Short term investments in quoted equity shares are recognised at fair value through FVOCI.

* Religare credit investment trust has been classified as current investment from non-current investments in current year.

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
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Note 7 - Financial Assets - Loans, Non-current

(Unsecured, Considered good unless otherwise stated)

Loan to Related Parties	49,535.88	37,684.20
Loan to other Parties	891.44	891.44
	50,427.32	38,575.64

* Includes Loan to Joint Venture Companies, Discovery Drilling Pte Ltd & Virtue Drilling Pte Ltd are sub-ordinated to bank loan availed by said Joint Venture. These loans were given as part of Project financing.

Note 8 - Other financial assets, Non-current

Derivative instrument	-	65.20
Security Deposits	3,939.92	2,195.40
Advance Income Tax (Net)	2,289.28	2,540.23
	6,229.20	4,800.83

* Security deposits are recognised at fair value through FVTPL. The discounting rate taken at 9.5% p.a. for security paid to lessor except SD to Venus (at 4.40% p.a. i.e. libor plus 3% margin). The discounting period taken as per the terms of contractual agreement.

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Note 9 - Deferred Tax Assets / Liabilities		
Deferred Tax Liability		
Depreciation and Amortization	907.41	1,330.23
Reclassification of FCTRA	696.65	730.05
Change in fair value of cash flow hedging	-	20.79
Remeasurement of employee benefit obligation	-	56.72
Equity Instrument - Fair Value Gain	(90.87)	(50.52)
(A)	<u>1,513.19</u>	<u>2,087.27</u>
Deferred Tax Assets		
Provision for Leave Encashment	14.06	17.75
Loss allowance on Loans & Advances - ECL	28.55	33.93
Security Deposit - Fair Value Loss	7.91	0.47
JDIL Employee Welfare trust loan - Fair Value Loss	13.09	29.76
Unabsorbed Depreciation	195.27	331.69
Unabsorbed Business Losses	429.59	1,171.75
(B)	<u>688.47</u>	<u>1,585.35</u>
Net Deferred Tax Liability	(A-B)	
	<u>824.72</u>	<u>501.92</u>
Note 10 - Inventories		
(At lower of cost or net realisable value)		
Stores & Spares	790.53	1,026.96
	<u>790.53</u>	<u>1,026.96</u>
Note 11 - Financial Assets - Trade Receivables, Current		
Unsecured, Considered good	10,021.45	10,209.95
Unsecured, Doubtful	-	-
Less: Provision for doubtful recoveries	-	-
	<u>10,021.45</u>	<u>10,209.95</u>
Note 12 - Cash and Cash Equivalents		
Cash in hand	2.69	5.79
Balances with Scheduled Banks		
- In Current Accounts	352.37	0.91
- In Unclaimed Dividend Accounts	4.34	4.08
- Fixed Deposit Account *	54.18	217.61
	<u>413.58</u>	<u>228.39</u>
* Fixed deposits given as margin money against bank Guarantee.		
Note 13 - Financial Assets - Loans, Current		
Loan to Related Parties	11,753.80	11,078.90
	<u>11,753.80</u>	<u>11,078.90</u>
Note 14 - Other Current Assets		
Claim (Loss in hole) receivables	106.27	94.97
Advances recoverable in cash or in kind #	1,421.82	2,171.33
Gratuity Fund	5.01	25.50
Interest receivables	2,746.86	2,653.19
	<u>4,279.96</u>	<u>4,944.99</u>
# Includes primarily advances to trade creditors, recoverables etc.		

Note 15 - Equity Share Capital & Other Reserves
Equity Share Capital

Authorized equity share capital of ₹ 5 each

	No. of shares	Equity Capital (₹ In Lakhs)
As at 31st March 2018	4,65,00,000	2,325.00
Increase during the year	-	-
As at 31st March 2019	4,65,00,000	2,325.00

Issued, Subscribed and Paid Up Capital
(i) Movement in equity share capital

	No. of shares	Equity Capital (₹ In Lakhs)
As at 31st March 2018	2,89,81,104	1,449.06
Issued during the year	-	-
As at 31st March 2019	2,89,81,104	1,449.06

Terms and rights attached to equity shares

Equity shares have a par value of INR 5. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the company in proportion to the number of amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	% Holding	No. of Shares	% Holding	No. of Shares
a) Jindal Global Finance and Investment Ltd	18.18	52,68,148	18.18	52,68,148
b) Sudha Apparels Ltd	10.63	30,81,000	10.63	30,81,000
c) Stable Trading Co. Ltd	10.56	30,59,168	10.56	30,59,168
d) Crispark Viocom Ltd	14.49	41,98,350	14.49	41,98,350
e) Jindal Pipes Limited	6.81	19,74,500	-	-

(₹ in Lakhs)

	As at 31st March 2019	As at 31st March 2018
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Note 16 - Other equity
16(a) Reserve and surplus

Securities Premium Reserve	29,613.35	29,613.35
General Reserve	24,562.94	24,562.94
Retained Earning	29,605.90	26,917.96
Total reserves and surplus	83,782.19	81,094.25
Securities Premium Reserve		
Opening Balances	29,613.35	29,613.35
Addition during the year	-	-
Closing Balance	29,613.35	29,613.35
General Reserve		
Opening Balances	24,562.94	24,562.94
Addition during the year	-	-
Closing Balance	24,562.94	24,562.94
Surplus in Statement of Profit & Loss		
Opening Balances	26,917.96	28,603.54
Net profit for the period	3,411.86	(1,547.12)
Remeasurement of employment benefit obligation, net of tax	5.63	35.94
Transfer to FCTRA reversal adjustment	(551.72)	-
Transfer to Cash Flow Hedge Reserve	(3.14)	-
Dividends & CD Tax	(174.69)	(174.40)
Closing Balance	29,605.90	26,917.96

16(b) Other OCI Reserves		
Hedging reserve - (net of tax)	-	39.28
Foreign currency translation reserve - (net of tax)	1,695.69	1,379.43
Change in fair value of equity instruments (net of tax)	(213.18)	(95.45)
Closing Balance	<u>1,482.51</u>	<u>1,323.26</u>
Total of other equity (A+B)	<u>85,264.70</u>	<u>82,417.51</u>
Note 17(A) - Other Financial Liabilities, Non-current		
Leave Encashment	36.47	41.73
	<u>36.47</u>	<u>41.73</u>
Note 17(B) - Other Non-current liabilities		
RIG Purchases consideration payable	51,868.13	-
	<u>51,868.13</u>	<u>-</u>
Note 18 - Current Borrowings		
Secured		
Loans repayable on demand from Banks	1,034.55	1,543.55
Unsecured		
Inter Corporate Loans - JPL	2,447.27	1,453.94
Inter Corporate Loans - MSL	12,831.18	3,310.05
	<u>16,313.00</u>	<u>6,307.54</u>
* Working capital loans are secured by hypothecation of inventories, book debts and all other current assets and first charge on fixed assets excluding specific charges, ranking pari-passu amongst working capital lending banks.		
Note 19 - Trade Payables		
Micro , Small & Medium Enterprises	77.37	-
Creditors	2,408.37	2,006.21
	<u>2,485.74</u>	<u>2,006.21</u>
Note 20 - Other Current Liabilities		
Other Current Liabilities #	1,623.40	3,519.04
Unpaid Dividend *	4.34	4.08
	<u>1,627.74</u>	<u>3,523.12</u>
* There is no amount due and outstanding to be credited to investors education & protection fund.		
# Includes statutory dues, advances from customers, security deposits etc.		
Note 21 - Provisions		
Leave Encashment Payable	11.80	9.57
	<u>11.80</u>	<u>9.57</u>
Note 22 - Revenue From Operations		
Drilling Services	20,739.37	14,893.97
	<u>20,739.37</u>	<u>14,893.97</u>
Note 23(a) - Other Income		
Profit on Sale of Current Investments (Net)	355.81	1,267.30
Rent Received	24.76	33.76
Miscellaneous Income	122.84	460.16
Interest Received	2,146.23	2,031.48
Foreign Exchange Fluctuation (Net)	2,700.97	10.47
Bad Debts Written Back	-	1,500.00
Fair Value through P&L:		
Fair value gain on Mutual Fund	-	(1,223.00)
Loss allowance on trade receivables	-	22.34
Loss allowance on MOGL Loans	-	10.79
Unwinding interest income on JDIL Interest Free Loan	41.04	163.80
Unwinding interest income on Security Deposits	-	204.09
	<u>5,391.65</u>	<u>4,481.19</u>

(₹ in Lakhs)

	As at 31st March 2019	As at 31st March 2018
Note 23(b) - Other Comprehensive Income		
Change in fair value of hedging	(65.20)	29.78
Foreign Currency Translation Reserve Account	1,766.95	163.95
OCI through Equity Instrument	(166.10)	(193.43)
Remeasurement of defined benefit liability	7.94	54.96
Total	<u>1,543.59</u>	<u>55.26</u>
Note 24 - Operating Expenses		
Rig Hire Charges	9,588.50	6,296.80
Drilling Operation expenses #	2,619.87	1,149.41
Stores & Spares Consumed	2,003.55	2,319.46
	<u>14,211.92</u>	<u>9,765.67</u>
Note 25 - Employee Benefits Expenses		
Salary, Wages & Other Allowances	3,105.74	2,530.07
Contribution to PF & Other Funds	67.71	79.68
Staff Welfare Expenses	128.09	102.89
	<u>3,301.54</u>	<u>2,712.64</u>
Note 26 - Finance Costs		
Interest on loan & advances	1,228.72	293.22
Unwinding discount on Security Deposit	25.80	-
	<u>1,254.52</u>	<u>293.22</u>
Note 27 - Other Expenses		
Electricity & water Charges	43.71	24.16
Rent	280.44	232.42
Rates & Taxes	5.09	11.66
Telephone & Communication Expenses	20.21	23.16
Printing & Stationery	13.02	10.88
Travelling & Conveyance:	53.83	59.19
Vehicle Upkeep & Maintenance	54.18	60.80
Repair & Maintenance		
Building	1.13	1.82
Others	100.31	58.10
Legal & Professional Charges	42.51	524.47
Insurance	2.44	1.23
Fees & Subscription	38.31	32.64
Internal Audit Fees	3.00	3.00
Auditors' Remuneration :		
- Audit Fee	3.40	3.40
- Tax Audit Fee	0.50	0.50
- Company Law Matters	1.64	3.05
General Exp	41.24	90.72
Corporate Social Responsibilities	29.00	45.00
Advertisement & Business Promotion	33.23	91.64
Tender Fee	0.64	2.53
Bank Charges	95.87	83.71
Loss on sale of Fixed assets	84.68	3.62
Claim Paid	-	5,841.22
Misc Balances Written Off	1,486.69	1,259.24
Total	<u>2,435.07</u>	<u>8,468.16</u>

Note 28: Property, plant & equipment

The company adopted at initial and subsequent recognition of all of its property, plant and equipment at deemed cost method. Refer note 1(b) for depreciation method used, depreciation rate and useful life of PPE. Refer note 3 for gross carrying value, accumulated depreciation value, additions, deletions, depreciation for the period and other changes in PPE.

Property, Plant and Equipment are pledged/ hypothecated as collateral/security against the borrowings of the company.

Note 29: Investment Property

Refer to Note 1(d) and Note 4 for method of depreciation used and carrying value of investment property. The amounts recognised in profit or loss for investment properties is as under;

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Rental Income	24.76	33.76
Direct operating expenses from property that generated rental income	(2.47)	(6.10)
Direct operating expenses from property that did not generated rental income	-	-
Profit from investment properties before depreciation	22.29	27.66
Depreciation (As per Companies Act)	(12.12)	(14.82)
Profit from investment properties	10.17	12.84

Contractual obligations

The company is under obligation for major repair and maintenance of investment property, if any required. In ordinary course of business, all day to day repair and maintenance shall be borne by the tenant. Further the tenant is not permitted to carry out any alteration, construction or development of investment property.

Leasing Arrangement

The properties are leased to tenants under long-term and short term operating leases with rental payable monthly. All the lease arrangements are cancellable in nature.

Fair value

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Investment properties	1,211.95	1,638.56

Estimation of fair value

The company is encouraged but not required to measure the fair value on the basis of a valuation done by an independent valuer. The market for comparable properties is inactive and alternative measurements of fair value based on discounted cash flow projections are not available. Hence the investment properties fair value taken at its cost of acquisition as per management estimation.

Note 30: Other Intangible assets

Refer to Note 1(c) for useful lives, method of amortisation used. Refer to Note 5 for Gross carrying value, accumulated amortisation and reconciliation.

Note 31: Provisions, Commitments and Contingent liabilities / assets

(To the extent not provided for):

The carrying amount at the beginning and end of the period;

(₹ In Lakhs)

Particulars	LC/BG (Issue from consortium bank sanction limits under legal/ contractual obligation) {refer note (a) below}	LC/BG (Issued against legal/ contractual obligation) {refer note (a) below}	Corporate Guarantee given to IndusInd Bank on behalf of Discovery Drilling Pte. Ltd. {Refer note (b) below}	Income Tax deamnd Deamand {Refer note (d) below}
As on 31-Mar-18	5,317.60	1,163.37	19,484.71	512.21
Addition during the period	1,729.85	-	-	2,719.56
Reversed during the period	-	1,163.37	622.05	-
As on 31-Mar-19	7,047.45	-	18,862.66	3,231.77

Note:

- LC / Bank Guarantee issued by the banks are provided as contingent liability against the contractual / legal performance of the company towards services being rendered to the customer. It is not predictable for the company to estimate the timings of cash outflows in respect of above as no event occurred in the history of the company.
- Corporate Guarantee issued by the company is provided as contingent liability against the contractual / legal performance of the Discovery Drilling Pte. Ltd. JV Company towards financial obligation to IndusInd Bank. It is not predictable for the company to estimate the timings of cash outflows in respect of above as no event occurred in the history of the company.
- From the assessment year 2008-09 to 2013-14, are pending before ITAT and for assessment year 2014-15 & 2015-16 appeal is pending before CIT (Appeals). It is not predictable for the company to estimate the timings of cash outflows in respect of above as it is determinable only on receipt of judgement / decisions pending with various forums / authorities. The year wise demands details are as under;

(₹ In Lakhs)

	31-Mar-19		31-Mar-18	
	CIT (Appeal)	ITAT	CIT (Appeal)	ITAT
Assessment Year 2008-09	-	55.00	-	55.00
Assessment Year 2009-10	-	66.50	-	66.50
Assessment Year 2010-11	-	77.82	-	77.82
Assessment Year 2011-12	-	92.98	-	92.98
Assessment Year 2012-13	-	92.56	-	92.56
Assessment Year 2013-14	-	103.02	-	103.02
Assessment Year 2014-15	24.33	-	24.33	-
Assessment Year 2015-16 *	2,719.56	-	-	-

* The Assessing officer has not given credit for advance tax / TDS deducted during the year in computation of tax liability. The company has filed an application u/s 154 of Income Tax Act for rectification.

Note 32: Employee Benefits

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Employer's Contribution to Provident Fund	8.09	7.55
Employer's Contribution to Pension Scheme	17.50	25.42

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the Payment of Gratuity Act 1972. The gratuity liability amount is contributed to the approved scheme of LIC formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- Salary Increases - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

1). Reconciliation of opening and closing balances of Plan Assets

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Fair value of plan assets at the beginning of the period	215.50	222.92
Difference in opening Fund	-	(0)
Actual return on plan assets	16.57	16.70
Employer contribution	2.68	11.23
Fund Management Charges	(2.22)	(0.25)
Benefits paid	(24.10)	(35.10)
Fair value of plan assets at the end of the period	208.43	215.50

2). Reconciliation of opening and closing balances of present value of Defined Benefit Obligation

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Present value of obligation as at the beginning of the period	189.99	228.94
Acquisition adjustment	--	--
Interest Cost	14.69	17.17
Service Cost	30.86	30.83
Past Service Cost including curtailment Gains/Losses	--	3.13
Benefits Paid	(24.10)	(35.10)
Total Actuarial (Gain)/Loss on Obligation	(8.03)	(54.98)
Present value of obligation as at the End of the period	203.41	189.99

3). Reconciliation of fair value Assets and Obligation

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Present Value of the obligation at end	203.41	189.99
Fair value of plan assets	208.43	215.50
Unfunded Liability/provision in Balance Sheet	5.02	25.51

4). Income/Expenses recognised during the year

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Total Service Cost	30.86	33.96
Net Interest Cost	(1.97)	0.45
Expense recognized in the Income Statement	28.89	34.41
In Other Comprehensive Income		
Actuarial gain / (loss) for the year on PBO	8.03	54.98
Actuarial gain /(loss) for the year on Asset	(0.09)	(0.02)
Unrecognized actuarial gain/(loss) at the end of the year	7.94	54.96

5). Actuarial assumptions

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Retirement Age	58	58
Mortality rates inclusive of provision for disability	100% IALM (2006 – 08)	
Withdrawal Rate	%	%
Age up to 30 Years	3.00	3.00
From 31 to 44 Years	2.00	2.00
Above 44 Years	1.00	1.00
Discount Rate	7.66	7.73
Future Salary Increase	6.00	6.00
Method used	Projected unit method	

6). Expected contribution for the next Annual reporting period

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Service Cost	39.52	37.61
Net Interest Cost	(0.38)	(1.97)
Expected Expense for the next annual reporting period	39.14	35.64

7). Sensitivity Analysis of the defined benefit obligation.

(₹ In Lakhs)

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	203.41
a)	Impact due to increase of 0.50%	(10.29)
b)	Impact due to decrease of 0.50 %	11.18
b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	203.41
a)	Impact due to increase of 0.50%	11.31
b)	Impact due to decrease of 0.50 %	(10.49)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

8). Maturity Profile of Defined Benefit Obligation

Year	Amount (₹ In Lakhs)
a) 0 to 1 Year	19.80
b) 1 to 2 Year	2.97
c) 2 to 3 Year	6.94
d) 3 to 4 Year	9.56
e) 4 to 5 Year	3.04
f) 5 to 6 Year	5.53
g) 6 Year onwards	155.56

Other Long Term Benefits
Leave Encashment

The total actuarial earned leave liability, consisting, of encashment, avilment, lapse and compensated absence, while in services and on exit, as per rules of the company, in accordance with IND AS-19 is as under;

1). Change in Benefit Obligation

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Present value of obligation as at the beginning of the period	51.30	64.44
Acquisition adjustment		--
Interest Cost	3.97	4.83
Service Cost	10.50	10.72
Past Service Cost including curtailment Gains/Losses	--	--
Benefits Paid	(8.23)	(16.71)
Total Actuarial (Gain)/Loss on Obligation	(9.27)	(11.98)
Present value of obligation as at the End of the period	48.27	51.30

2). Expenses recognised in income statement

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Total Service Cost	10.50	10.72
Net Interest Cost	3.97	4.83
Net actuarial (gain) / loss recognized in the period	(9.27)	(11.98)
Expense recognized in the Income Statement	5.20	3.57

Note 33: Segment reporting

All undertaking of the company is engaged in similar activities of providing services to Oil & Gas Companies. Therefore there is only one reportable segment – Drilling and related services under Segment Reporting. The company operates in a single geographical segment – India.

Note 34: Related parties disclosures (as per Ind As 24)

A. List of related parties where control exist and also related parties with whom transactions have taken place and relationships:

S. No.	Name of Related Parties	Relationship
1	Discovery Drilling Pte. Ltd.	Joint Venture
2	Virtue Drilling Pte. Ltd.	
3	Shri Dharam Pal Jindal	Key Managerial Personnel (KMP)
4	Shri Raghav Jindal	
5	Shri Pawan Kumar Rustagi	
6	Shri Rajeev Ranjan	
7	Shri Radhey Shyam Gupta	
8	Sigma Infrastructure Pvt Ltd	Other related parties
9	Maharashtra Seamless Ltd	
10	Jindal Pipes Ltd	
11	Jindal Drilling & Industries Limited Employee Gratuity Fund	Post Employee Benefit Plans

Details of transactions with related party and outstanding balance at the year end.

(₹ In Lakhs)

Items	Years	Joint Venture		K M P's	Other			
		DDPL	VDPL		MSL	JPL	Sigma	Post Emp. Benefit Plan
Sale of Equipments /Spares	Current	4.50	-	-	-	-	-	-
	Previous	28.46	-	-	-	4.50	-	-
Sale of Scraps	Current	-	-	-	6.56	-	-	-
	Previous	-	-	-	30.06	-	-	-
Income from Technical Support Services	Current	-	-	-	-	432.02	-	-
	Previous	-	-	-	-	400.02	-	-
Commission Income on Bank Guarantees	Current	94.93	-	-	-	-	-	-
	Previous	2.38	-	-	-	-	-	-
Interest on Loan-Income (Gross)	Current	1,395.71	740.66	-	-	-	-	-
	Previous	1,032.04	343.90	-	-	-	-	-
Rent Received	Current	-	-	-	1.58	21.98	-	-
	Previous	-	-	-	1.58	21.98	-	-
Purchase of Material, Services, and others	Current	12.88	-	-	3.25	-	-	-
	Previous	-	-	-	-	-	-	-
Purchases of assets	Current	51,868.13	-	-	-	-	-	-
	Previous	-	-	-	-	-	-	-
Interest on loan-Expenses	Current	-	-	-	845.70	270.87	-	-
	Previous	-	-	-	26.88	18.25	-	-
Rent Paid	Current	-	-	-	7.99	-	81.24	-
	Previous	-	-	-	7.92	-	81.24	-
Financial Guarantees Given	Current	-	-	-	-	-	-	-
	Previous	19,484.71	-	-	-	-	-	-
Payment to Key Managerial Person's	Current	-	-	113.50	-	-	-	-
	Previous	-	-	53.15	-	-	-	-
Expenses paid by JDIL on behalf of related parties	Current	-	-	-	-	-	-	-
	Previous	634.61	-	-	-	-	-	-
Expenses paid by related parties on behalf of JDIL	Current	13.20	-	-	-	-	-	-
	Previous	-	-	-	-	-	-	-
Advance received against RIG Refurbishment	Current	-	-	-	-	464.74	-	-
	Previous	-	-	-	-	-	-	-
Net Loans and advances, Deposits given/(Refunded)	Current	-	9,541.32	-	-	-	-	-
	Previous	1,694.42	-	-	-	-	-	-
Net Loans and advances, Deposits taken/(Refunded)	Current	-	-	-	8,760.00	749.55	-	-
	Previous	-	-	-	2,284.31	1,436.72	-	-
Accrued Interest Received	Current	-	292.31	-	-	-	-	-
	Previous	669.64	454.32	-	-	-	-	-
Post-Employment Employee Benefit Expenses	Current	-	-	-	-	-	-	1.63
	Previous	-	-	-	-	-	-	9.68
BALANCE OUTSTANDING AT THE YEAR END								
Investments	Current	7,411.97	11,247.41	-	-	-	-	-
	Previous	7,411.97	11,247.41	-	-	-	-	-
Loans and Advances Receivable	Current	29,841.90	19,220.92	-	-	-	-	-
	Previous	28,128.38	9,123.80	-	-	-	-	-
Interest on loan receivable (Net of Tax)	Current	2,117.03	629.56	-	-	-	-	-
	Previous	877.24	292.31	-	-	-	-	-
Loans and Advances Payable (including accrued interest)	Current	-	-	-	12,831.18	2,447.27	-	-
	Previous	-	-	-	3,310.05	1,453.94	-	-
Trade & Other Payables	Current	51,892.86	-	-	1.22	-	-	-
	Previous	-	-	-	-	7.81	-	-
Trade Receivable against technical support	Current	-	-	-	-	76.08	-	-
	Previous	-	-	-	-	73.09	-	-
Financial Guarantees	Current	18,862.66	-	-	-	-	-	-
	Previous	19,484.71	-	-	-	-	-	-
Other receivable	Current	758.51	-	-	3.99	-	-	-
	Previous	634.61	-	-	-	-	-	-

B. Details of remuneration of director and other member of key management personnel during the year was as follows;

S. No.	Benefits	31st March 2019	31st March 2018
1	Short term employee benefits	113.50	53.15
2	Post-employment benefits	-	-
3	Other long term benefits	-	-
4	Termination benefits	-	-
5	Share based payments	-	-

Note:

i. Related Parties are as determined by management and has been relied upon by Auditors

Note 35: Derivative Financial Instruments

The Company uses forward contracts to manage some of its transaction exposure. The details of such contracts as on the balance sheet date are as follows:

Type of Contract	Purpose
Forward Contracts	Hedge the future receivables.

Foreign Currency Forward Contracts

The Company is having long term chartered hire income contract with ONGC. Since the service contract is under international competitive bidding. The company receives revenue in USD. The company has hedged future receivables by selling USD under the forward contracts.

The foreign currency forward contracts are designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year.

The fair value of foreign currency forward contracts is as under:

(₹ In Lakhs)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Asset	Liability	Asset	Liability
Foreign Currency Forward Contracts	-	-	65.20	-

Outstanding notional amount for forward contracts is Nil (Previous year USD 9 Lacs).

The gain / (loss) due to fluctuation in foreign currency exchange rates on derivative contract, recognized as Other Comprehensive Income of ₹ -65.20 lacs (Previous year gain of ₹ 29.78 lacs).

Note 36: Financial reporting of Interest in Joint Ventures

Discovery Drilling Pte Ltd (DDPL) and Virtue Drilling Pte Ltd (VDPL) continued to be Joint Ventures of the company

Name of the Company	Nature of interest	Date of initial Investment	Country of Incorporation	% Ownership Interest	
				31.03.2019	31.03.2018
Discovery Drilling Pte Ltd. (DDPL)	Equity Investment	25th April, 2006	Singapore	49%	49%
Virtue Drilling Pte Ltd. (VDPL)	Equity Investment	31st March, 2008	Singapore	49%	49%

The changes in interest of Joint Venture companies are as under:-

(₹ In Lakhs)

	Discovery Drilling Pte. Ltd.		Virtue Drilling Pte. Ltd.		Total	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Current Assets	25,484.46	200.23	5,655.32	5,952.86	31,139.78	6,153.09
Non-Current Assets	53,900.05	73,754.30	74,411.41	70,393.21	1,28,311.46	1,44,147.51
Total Assets (A)	79,384.51	73,954.53	80,066.73	76,346.07	1,59,451.24	1,50,300.60
Current Liabilities	5,556.79	2,774.51	570.32	9,473.17	6,127.11	12,247.68
Non-Current Liabilities	25,907.05	27,764.29	9,434.97	5,437.30	35,342.02	33,201.59
Total Liabilities (B)	31,463.84	30,538.80	10,005.29	14,910.47	41,469.13	45,449.27
Net Assets (A-B)	47,920.67	43,415.73	70,061.44	61,435.60	1,17,982.11	1,04,851.33

Share of Income & Expenses for the period ended 31st March 2019:-

(₹ In Lakhs)

	Discovery Drilling Pte. Ltd.		Virtue Drilling Pte. Ltd.		Total	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Profit for the year (49%)	(370.56)	(5,332.98)	3,189.40	6,426.49	2,818.84	1,093.50
Other Comprehensive income (49%)	-	-	-	-	-	-

Note 37: Trade Receivable, Loans & advances & Trade Payable

- (i) Trade receivable includes a sum of USD 147.72 Lacs (In Indian rupees ₹ 6,632.81 Lacs restated on 31-03-2011) as on 31.03.2019, which is outstanding from ONGC Ltd for more than 10 years. Till date decision of Hon'ble Bombay High Court is in favour of the company. Against this order ONGC has filed the appeal in Supreme Court which is pending for its decision.
- (ii) The Loan and advance includes ₹ 891.44 Lacs relate to Marine Oil Gas Private Limited (MOGL) in respect of which no realisation could be made. No interest income has been recognised since financial year 2011-12. The Company has initiated legal proceeding for recovery of the same by filing a civil suit in Hon'ble Delhi High Court in September 2013 against this company along with related persons and Ex-Managing Director of the company. However in view of Ind As 113, the company has made a provision of ₹ 98.05 Lacs under expected credit loss on MOGL loan.
- (iii) Loans & Advances includes an interest free loan of ₹ 473.06 Lacs (Previous year Rs. 518 Lacs), paid to Jindal Drilling & Industries Limited Employee Welfare Trust, which had been formed with the sole objective of employee's welfare. The management is considering the same as good and fully recoverable. The amount of loan is discounted at 9.5% p.a. to arrive at fair value.
- (iv) The Company had given a loan of USD 17 Million to Internovia Natural Resources FZ LLC during the Financial Year 2015-16 and 2016-17. From the last 3-4 years, No Interest was received as the Borrower Company was facing the problem in their Business. Now, the Company has done settlement with Internovia Natural Resources FZ LLC. The company has received the Principal amount in full in May 2019, however, Interest Amount has to be written off during the Financial Year.
- (v) During the Year, the Company has purchased a Jack-up Rig "Discovery-I" at the cost of USD 75 Million from its Joint Venture Company Discovery Drilling Pte. Ltd. Till the end of the FY 2018-19, this Jack-up Rig was placed out of India.

Note 38: Total foreign exchange earned and used

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Foreign Exchange earned in terms of actual inflows	21,954.77	15,485.15
Foreign Exchange outgo in terms of actual outflows	64415.08	13,817.00

Note 39: Details of Loan given, Investment made and Guarantee given as covered u/s 186 (4) of the Companies Act, 2013

The details of loans given, investments made, guarantee given or security provided are as under;

Loans Given

(₹ In Lakhs)

S. No.	Name of Person	31/03/2019	31/03/2018
1	Discovery Drilling Pte. Ltd.	29,841.90	28,128.38
2	Virtue Drilling Pte. Ltd.	19,220.92	9,123.80
3	Internovia Natural Resources FZ LLC	11,753.80	11,078.90
4	JDIL Employees Welfare Trust	518.00	518.00
5	Marine Oil & Gas Pvt. Ltd.	891.44	891.44
6	Accrued interest on above loan receivable	2,746.59	2,651.39
	Total	64,972.65	52,391.91

Investment in Equity Shares

(₹ In Lakhs)

S. No.	Name of Person	As at 31/03/2019	As at 31/03/2018
1	Discovery Drilling Pte. Ltd.	7,411.97	7,411.97
2	Virtue Drilling Pte. Ltd.	11,247.41	11,247.41
3	Internovia Natural Resources FZ LLC	2.37	2.37
4	Taloja C. E.T.P.Co.op. Soc. Ltd- Shares	0.01	0.01
5	Monnet Ispat & Energy Limited	-	-
6	Electrosteel Steel Limited	56.82	219.96
7	Jindal Steel & Power Limited	13.54	16.51
	Total	18,732.12	18,898.23

Corporate Guarantee Given

(₹ In Lakhs)

S. No.	Name of Person	As at 31/03/2019	As at 31/03/2018
1	Discovery Drilling Pte. Ltd.	18,862.66	19,484.71
	Total	18,862.66	19,484.71

All the above loans and advances given are for the Business purposes.

- Loans and advances mentioned supra have been shown under "Non-Current Loans & Advances".
- Loans to employee/welfare trusts as per the Company's policy are not considered. None of the Loan and Associate Companies have per se, made investments in shares of the company.

The above details are as per Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Note 40: Income tax expenses

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Current Tax	765.81	-
MAT Credit	(16.56)	-
Deferred Tax		
- Relating to origination and reversal of temporary differences	-	-
- Relating to origination and reversal of temporary differences	(126.70)	(1,235.45)
- Re-measurements of post-employment benefit obligations	2.31	19.02
- Change in cash flow hedging	(18.97)	10.30
- Reclassification of Foreign Currency Translation Reserve Account	514.53	56.74
- Change in fair value of equity instrument	(48.37)	(66.94)
Total Deferred Tax	322.80	(1,216.33)

Effective tax reconciliation

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

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Profit Before Tax	4,034.41	(2,782.56)
Applicable Statutory Enacted Income Tax Rate	34.944%	34.608%
Computed Tax Expense	1,409.78	-
Increase/(Reduction) in Taxes on Account of		
Additional Allowances for Tax Purpose	(643.97)	(1,503.44)
Items not Liable to Tax	-	(138.79)
Tax losses unutilized / Items Taxed at Different Rate	-	-
Tax Expense Relating to Earlier Years (Net)	-	-
Others	(143.26)	406.78
Income Tax Expense reported in financial statement	622.55	(1,235.45)

Note 41: Capital Management

The primary objective of the Company's capital management is to ensure availability of funds at competitive cost for its operational and development needs and maintain a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended 31.03.2019 and 31.03.2018. There have been no breaches of the financial covenants of any interest bearing loans and borrowings for the reported period.

The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of Company's capital management, equity includes paid up equity share capital and reserves and surplus and effective portion of cash flow hedge and Debt comprises of long term borrowings including current maturities of these borrowings.

The following table summarizes long term debt and equity of the Company:

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Equity Share Capital	1,449.06	1449.06
Reserves and Surplus (including effective portion of cash flow hedge)	85,264.70	82,417.51
Total Equity	86,713.76	83,866.57
Long Term Debt #	-	-
Debt to Equity Ratio	0.00	0.00

The Company does not have long term debt.

Note 42: Fair value measurement

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets:

(₹ In Lakhs)

Particulars	As At 31st March, 2019			As At 31st March, 2018		
	FVTPL	FVOCI	Amor- tised Cost	FVTPL	FVOCI	Amor- tised Cost
Financial Assets						
Non-current						
Investments in Equity Shares of JV Companies	-	-	18,661.76	-	-	18,661.76
Loans	1,364.50	-	49,062.82	1,323.46	-	37,252.18
Derivative financial instrument	-	-	-	65.20	-	-
Security Deposit	3,939.92	-	-	2,195.40	-	-
Other Financial Assets - Non Current	-	-	2,289.28	-	-	2,540.23
Current						
Investments in Mutual Funds	-	-	-	-	-	-
Investments in Equity Shares of other companies	-	70.36	-	-	236.47	-
Investments in Religare Credit Investment Trust	-	-	50.93	-	-	73.71
Trade Receivables	-	-	10,021.45	-	-	10,209.95
Cash and Cash Equivalents and Bank Balances	-	-	413.58	-	-	228.39
Loans	-	-	11,753.80	-	-	11,078.90
Total Financial Assets	5,304.42	70.36	92,253.62	3,584.06	236.47	80,045.12
Financial Liabilities						
Short term borrowings	-	-	16,313.00	-	-	6,307.54
Trade Payables	-	-	2,485.74	-	-	2,006.21
Total Financial Liabilities	-	-	18,798.74	-	-	8,313.75

Fair Value Techniques:

The fair value 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:

- Fair value of cash and short term deposits, trade receivables, trade payables, non-current loans, other current financial assets, short term borrowings and other current financial liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.
- Long term fixed rate and variable rate receivables / borrowings are evaluated by the Company based on parameters such as interest rate, 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 borrowings fair value is determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.
- The fair value 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 derivatives counterparties and believe them to be significant and warranting a credit adjustment.

Fair Value Hierarchy

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

Quoted prices / published Net Asset Value (NAV) in an active markets (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities and financial instruments like mutual funds for which NAV is published by mutual funds. This category consist mutual fund investments and equity share instrument of other companies / JV's.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (that is, unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

Assets and Liabilities Measured at Fair Value (Accounted)

(₹ In Lakhs)

Particulars	As at 31 March 2019				As at 31 March 2018			
	Level - 1	Level - 2	Level - 3	Total	Level - 1	Level - 2	Level - 3	Total
Financial Assets measured at fair value								
Mutual Funds Investments	-	-	-	-	-	-	-	-
Equity Shares of Other Companies	70.36	-	-	70.36	236.47	-	-	236.47
Derivatives designated as hedge	-	-	-	-	-	65.20	-	65.20
Loans	-	1,364.50	-	1,364.50	-	1,323.46	-	1,323.46
Security Deposit	-	3,939.92	-	3,939.92	-	2,195.40	-	2,195.40

During the year ended 31.03.2019 and 31.03.2018, there were no transfers between Level 1 and level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as at 31.03.2019 and 31.03.2018;

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Derivatives Financial Instruments -Designated as Hedging Instrument	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Security Deposit	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows	-
Loan to JDIL Employee Welfare trust	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows	-

Note 43: Financial Risk Management Objectives and Policies

The company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

The company's risk management is carried out by a treasury department under policies approved by the board of directors. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Credit risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instruments or customer contract, leading to a financial loss. The Company is exposed to credit risk from its cash and cash equivalents, loans, investments at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk for banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the company assesses and manages credit risk based on internal credit rating system. The finance function consists of a team who assess and maintain an internal credit rating system. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

Provision for expected credit losses

Internal rating	Category	Description of category	Basis for recognition of expected credit loss provision		
			Investments	Loans and deposits	Trade receivables
VL 1	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12-month expected credit losses	12-month expected credit losses	Life-time expected credit losses (simplified approach)
VL 2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past			
VL 3	Standard assets, moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong			
VL 4	Substandard assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 45 days past due	Life-time expected credit losses	Life-time expected credit losses	
VL 5	Low quality assets, very high credit risk	Assets where there is a high probability of default. In general, assets where contractual payments are more than 90 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 90 days past due			
VL 6	Doubtful assets, credit-impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 180 days past due. Where loans or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Assets is written off		

Expected credit loss for loans, security deposits and investments

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	ECL	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Investments at amortised cost	VL 1	18,661.76	0%	-	18,661.76
			Total	18,661.76		-	18,661.76
		Loans	VL 1	49,535.88	0%	-	49,535.88
			VL 2	-	0%	-	-
			VL 3	-	0%	-	-
			Total	49,535.88		-	49,535.88
		Security deposits	VL 1	3,939.92	0%	-	3,939.92
			Total	3,939.92		-	3,939.92

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	ECL	Carrying amount net of impairment provision
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired *		VL 2	989.50	9.91%	98.06	891.44
	Financial assets for which credit risk has increased significantly and credit-impaired *	NA	NA	NA	NA	NA	NA

Expected credit loss for trade receivables under simplified approach

Ageing	Not Due	0-45 Days past due	46-90 Days past due	91-135 Days past due	136-180 Days past due	Total
Gross Carrying Amount	2,747.24	551.91	35.03	29.79	6,657.48	10,021.45
Expected Credit Loss rate	-	-	-	-	-	-
Expected Credit Loss	-	-	-	-	-	-
Carrying Amount of trade receivables	2,747.24	551.91	35.03	29.79	6,657.48	10,021.45

Liquidity risk

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

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (i.e. trade receivables, other financial assets) and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, letter of credit facility, bank loans and credit purchases.

Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Floating Rate		
- Expiring within one year (Cash Credit Facility)	965.45	456.45
- Expiring beyond one year (Corporate loans)	-	-

The bank cash credit facilities may be drawn at any time and may be terminated by the bank without notice. The corporate loan facilities may be drawn at any time in INR and have an average maturity of 2 years.

Maturity profile of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative and derivative financial liabilities, if any.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

For the year ended 31st March 2019

Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Borrowings	-	-	1,034.55	15,278.45	-	16,313.00
Trade Payables	2,485.74	-	-	-	-	2,485.74
Other Financial Liabilities	36.47	-	-	-	-	36.47
Derivative Liabilities	-	-	-	-	-	-
Total	2,522.21	-	1,034.55	15,278.45	-	18,835.21

For the year ended 31st March 2018

Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Borrowings	-	-	1,543.55	4,763.99	-	6,307.54
Trade Payables	2,006.21	-	-	-	-	2,006.21
Other Financial Liabilities	41.73	-	-	-	-	41.73
Derivative Liabilities	-	-	-	-	-	-
Total	2,047.94	-	1,543.55	4,763.99	-	8,355.48

Market risk and sensitivity

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency rate risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivatives financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and liabilities held as at 31.03.2019 and 31.03.2018.

Foreign currency risk exposure

The company exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows;

Particulars	31-Mar-19					31-Mar-18			
	USD	EUR	NOK	SGD	AED	USD	EUR	SGD	AED
Financial Assets									
Trade receivables	2,996.79	-	-	-	-	2,743.49	-	-	-
Forward contracts	-	-	-	-	-	65.20	-	-	-
Loans	60,816.62	-	-	-	-	48,331.08	-	-	-
Interest Receivables	2,117.03	-	-	-	-	2,651.39	-	-	-
Security Deposit	1,555.65	-	-	-	-	1,955.10	-	-	-
Investments	-	-	-	18,659.38	2.37	-	-	18,659.38	2.37
Reimbursement of Expenses	753.96	-	-	-	-	857.14	-	-	-
Net exposure to foreign currency risk (assets)	68,240.05	-	-	18,659.38	2.37	56,603.40	-	18,659.38	2.37
Trade payables	53,980.95	1.77	0.51	9.01	0.10	1,632.80	6.94	3.49	0.10
Net exposure to foreign currency (liabilities)	53,980.95	1.77	0.51	9.01	0.10	1,632.80	6.94	3.49	0.10

Sensitivity

The sensitivity analyses exclude the impact of movement in market variables on the carrying value of post-employment benefit obligations, provisions and on non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market rates. The company's activities expose it to a variety of financial risk including the effect of changes in foreign currency exchange rates and interest rates. The company uses derivatives 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 fluctuation and interest rates.

Note 44: Earning per share (EPS)
Basic and Diluted EPS

(₹ In Lakhs)

Particulars	FY 2018-2019	FY 2017-2018
Profit or Loss attributable to ordinary Equity shareholders (₹ In Lakhs)	4,505.96	(1,510.98)
Equity Share Capital	1449.06	1449.06
Weighted average number of equity shares outstanding (Face value of ₹ 5/- per share)	289.81	289.81
Earnings Per Share – Basic and Diluted (₹)	15.55	(5.21)

Note 45: Operating leases

The Company has taken office premises on cancellable lease. These are cancellable and are renewable by mutual consent on mutually agreed terms.

Note 46: Rounding off

Figures less than 500 have been shown at actuals wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest lacs.

Note 47: Collaterals

Inventory, Trade Receivables, Other Financial Assets, Property, Plant and Equipment are pledged/ hypothecated as collateral/security against the borrowings of the company. The investment in Joint Venture companies are pledged as collaterals as per note 6(A)(I).

Note 48: Miscellaneous

- i) Dues to micro and small enterprises have been determined as per information collected by the management & have been relied upon by the auditors.
- ii) In the opinion of the Management and to the best of their knowledge and belief, the value of current assets, loans and advances, if realised in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
- iii) Previous year's figures have been re-grouped/ re-arranged/ re-classified wherever considered necessary.

The accompanying notes are an integral part of the Financial Statements.

Significant accounting policies and notes on financial statement I-48

As per our report of even date

For **KANODIA SANYAL & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 008396N

R K Kanodia

Partner

Membership No. 016121

Place : Gurugram

Date : 29th May 2019

PAWAN KUMAR RUSTAGI

CFO

PAN: AACPR8012M

Saurabh Agrawal

Company Secretary

ACS: 36163

For & on Behalf of the Board of Directors

D. P. JINDAL

Chairman

DIN: 00405579

RAGHAV JINDAL

Managing Director

DIN: 00405984

K. K. KHANDELWAL

Director

DIN: 00455369

**CONSOLIDATED
FINANCIAL
STATEMENTS**

INDEPENDENT AUDITOR'S REPORT

To the Members of

Jindal Drilling & Industries Limited

Report on the Consolidated Ind AS Financial Statements**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of Jindal Drilling & Industries Limited ('the Parent Company') and its Joint Venture Companies (collectively referred to as 'the Company' or 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements/consolidated financial statements and on the other financial information of the joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS'), specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, of the consolidated state of affairs (consolidated financial position) of the Group, as at 31 March 2019 and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statement of the current period. These matters were addressed in the context of our audit of the standalone financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements/ consolidated financial statements and on the other financial information of the joint ventures were most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

Emphasis of Matter-Subsequent Event

We had Consolidated on the basis of unaudited financial statement of a joint venture-Virtue Drilling Pte Ltd on previous financial year, whereas as per audited financial statement the auditor had qualified opinion for previous financial year.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility report, Corporate Governance and shareholder's information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the joint ventures audited/Reviewed by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to materially misstated. Other information so far as it relates to the joint ventures is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error; which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parents, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Company's financial reporting process of the group.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and operating effectiveness of such controls.

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

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

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

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

The consolidated financial results also include the Group's share of profit after tax of Rs. 2818.84 Lacs for the year ended 31st March 2019. This financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial Statement is not modified in respect of the above matters with respect to our reliance on the financial statements / financial information certified by the Management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statement/ financial information certified by the management.

Report on Other Legal and Regulatory Requirements

- I. As required by Section 143(3) of the Act, we report, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
 - c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the accounting standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2019 from being appointed as a Director of that company in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A', which is based on the auditor's report of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent.
- g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Parent to its directors during the year in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer note no. 37 to the standalone Ind AS financial statements;
 - ii. the venture Company does not have any material foreseeable losses on long term contracts including derivative contracts. Refer note no. 35 in the standalone financial statement.
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India; and

For **KANODIA SANYAL & ASSOCIATES**
Chartered Accountants
FRN: 008396N

Place : Gurugram
Date : 29th May 2019

(R K Kanodia)
Partner
Membership no. : 016121

Annexure - A to the Independent Auditor's Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of Jindal Drilling & Industries Limited ('the Parent Company') and its Joint Venture companies which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Venturer Company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Parent Company and its Joint Ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **KANODIA SANYAL & ASSOCIATES**
Chartered Accountants
FRN: 008396N

Place : Gurugram
Date : 29th May 2019

(R K Kanodia)
Partner
Membership no. : 016121

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

(₹ in Lakhs)

Particulars	Note	As at 31st March 2019	As at 31st March 2018
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	3	4,256.07	5,007.31
Capital Work in Progress	3	51,879.30	-
Investment Property	4	967.09	1,381.68
Other Intangible Assets	5	80.00	30.07
Equity accounted in JV companies	6(A)(i)	1,17,982.11	1,04,851.33
Financial Assets			
i. Investments	6(A)(ii)	2.38	2.38
ii. Loans	7	50,427.32	38,575.64
iii. Other Financial Assets	8	6,229.20	4,800.83
Deferred Tax Assets	9	688.47	1,206.92
		<u>2,32,511.94</u>	<u>1,55,856.16</u>
Current Assets			
Inventories	10	790.53	1,026.96
Financial Assets:			
i. Investments	6(B)	121.29	310.18
ii. Trade Receivables	11	10,021.45	10,209.95
iii. Cash and Cash Equivalents	12	2.69	5.79
iv. Bank balances other than (iii) above	12	410.89	222.60
v. Loans	13	11,753.80	11,078.90
Other Current Assets	14	4,279.96	4,944.99
		<u>27,380.61</u>	<u>27,799.37</u>
Total Assets		<u>2,59,892.55</u>	<u>1,83,655.53</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	1,449.06	1,449.06
Other Equity	16	1,80,460.22	1,66,894.76
		<u>1,81,909.28</u>	<u>1,68,343.82</u>
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	17(A)	36.47	41.73
Other Non-current Liabilities	17(B)	51,868.13	-
Deferred Tax Liabilities	9	5,640.40	3,423.54
		<u>57,545.00</u>	<u>3,465.27</u>
Current Liabilities			
Financial Liabilities			
i. Borrowings	18	16,313.00	6,307.54
ii. Trade Payables	19		
A). Total outstanding dues of MSME		77.37	-
B). Total outstanding dues creditors other than MSME		2,408.36	2,006.21
Other Current Liabilities	20	1,627.74	3,523.12
Provisions	21	11.80	9.57
		<u>20,438.27</u>	<u>11,846.44</u>
Total Equity & Liabilities		<u>2,59,892.55</u>	<u>1,83,655.53</u>

The accompanying notes are an integral part of the Financial Statements

Significant accounting policies and notes on financial statements I - 37

As per our report of even date

 For **KANODIA SANYAL & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 008396N

R K Kanodia
Partner
Membership No. 016121
PAWAN KUMAR RUSTAGI

CFO

PAN: AACPR8012M

Saurabh Agrawal
 Company Secretary

ACS: 36163

For & on Behalf of the Board of Directors

D. P. JINDAL

Chairman

DIN: 00405579

RAGHAV JINDAL

Managing Director

DIN: 00405984

K. K. KHANDELWAL

Director

DIN: 00455369

 Place : Gurugram
 Date : 29th May 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019 (₹ in Lakhs)

Particulars	Note	Year Ended 31st March 2019	Year Ended 31st March 2018
INCOME			
Revenue from operations	22	20,739.37	14,893.97
Other Income	23(a)	5,391.65	4,481.19
Total Income		26,131.02	19,375.16
Expenses			
Operating expenses	24	14,211.92	9,765.67
Employee benefits expense	25	3,301.54	2,712.64
Finance cost	26	1,254.52	293.22
Depreciation and amortization expense	3,4,5	893.56	918.03
Other expenses	27	2,435.07	8,468.16
Total Expenses		22,096.61	22,157.72
Profit before exceptional items and tax		4,034.41	(2,782.56)
Exceptional Items		-	-
Profit before share of equity accounted in JV companies and tax		4,034.41	(2,782.56)
Share of profit of equity accounted in JV companies (net of tax)		2,818.84	1,093.50
Profit before tax		6,853.25	(1,689.06)
Tax expenses			
Current Tax		765.81	-
MAT Credit		(16.56)	-
Deferred tax	9	(717.04)	(856.42)
Total tax expenses		32.21	(856.42)
Profit for the year		6,821.04	(832.64)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		7.94	54.96
Income tax relating to these items		(2.31)	(19.02)
		5.63	35.94
Items that will be reclassified to profit or loss			
Change in cash flow hedging		(65.20)	29.78
Reclassification of Foreign Currency Translation Reserve Account		1,766.95	163.95
Change in fair value of equity instrument		(166.10)	(193.43)
Foreign exchange gain on consolidation		10,311.94	515.08
Income tax relating to these items		(3,450.02)	(178.36)
		8,397.57	337.02
		8,403.20	372.96
Total Comprehensive Income for the Year (Comprising profit and other comprehensive income for the year)		15,224.24	(459.68)
Earning per equity share of Rs. 5 each (in Rs.)			
Basic		52.53	(1.59)
Diluted		52.53	(1.59)

The accompanying notes are an integral part of the Financial Statements.

Significant accounting policies and notes on financial statements 1-37

As per our report of even date

For **KANODIA SANYAL & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 008396N

R K Kanodia

Partner

Membership No. 016121

Place : Gurugram

Date : 29th May 2019

PAWAN KUMAR RUSTAGI

CFO

PAN: AACPR8012M

Saurabh Agrawal

Company Secretary

ACS: 36163

For & on Behalf of the Board of Directors

D. P. JINDAL

Chairman

DIN: 00405579

RAGHAV JINDAL

Managing Director

DIN: 00405984

K. K. KHANDELWAL

Director

DIN: 00455369

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

A. Equity Share Capital (Subscribed and Paid up)

Particulars	Note	Equity Capital (₹ in Lakhs)
As at 1st April 2018	15	1,449.06
Change in equity share capital		-
As at 31st March 2019	15	1,449.06

B. Other Equity

Particulars	Note	Reserves & Surplus			Equity Instrument through OCI	Effective portion of Cash Flow Hedging	Foreign Currency translation reserve	Forex Gain on consolidation	Other OCI Items	Total
		Securities Premium Reserve	General Reserve	Retained Earnings						
Balance as at 1st April 2018	16	29,613.35	24,562.94	1,08,869.73	(95.45)	39.28	1,379.43	2,460.93	64.55	1,66,894.76
Total comprehensive income for the year ended 31 March 2019										
Profit or loss		-	-	6,269.31	-	-	-	-	-	6,269.31
Other comprehensive income	24(a)	-	-	5.63	(117.73)	(42.42)	316.26	7,309.10	-	7,470.84
Total comprehensive income		-	-	6,274.94	(117.73)	(42.42)	316.26	7,309.10	-	13,740.15
Transferred from retained earnings		-	-	(3.14)		3.14				-
Proposed Dividend & Tax		-	-	(174.69)						(174.69)
Balance as at 31st March 2019		29,613.35	24,562.94	1,14,966.84	(213.18)	-	1,695.69	9,770.03	64.55	1,80,460.22

As per our report of even date

For **KANODIA SANYAL & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 008396N

R K Kanodia

Partner

Membership No. 016121

Place : Gurugram

Date : 24th May 2019

PAWAN KUMAR RUSTAGI

CFO

PAN: AACPR8012M

SAURABH AGARWAL

Company Secretary

ACS: 36163

For & on Behalf of the Board of Directors

D. P. JINDAL

Chairman

DIN: 00405579

RAGHAV JINDAL

Managing Director

DIN: 00405984

K. K. KHANDELWAL

Director

DIN: 00455369

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	6,853.25	(1,689.06)
Adjustments for :		
Depreciation & amortization expenses	893.56	918.03
Gain / (Loss) on foreign currency translation reserve	1,766.95	163.95
Gain / (Loss) on Cash flow hedge through OCI	(65.20)	29.78
Remeasurement of employee benefit obligation	7.94	54.96
Interest income	(2,146.23)	(2,031.48)
Change in fair value of security deposits	-	(204.09)
Notional (Gain) / Loss on mutual funds investments	-	1,223.00
Notional fair value gain on interest free loan & advances	(41.04)	(163.80)
MAT Credit	16.56	-
Finance cost	1,254.52	293.22
Share of profit of equity accounted investee	(2,818.84)	(1,093.50)
Loss/(Profit) on Sale of PPE	84.68	-
Profit on Sale of Investments	(355.81)	(1,267.30)
Exchange Rate Fluctuations	(2,700.97)	(10.47)
Operating Profit before working capital changes	2,749.37	(3,776.76)
Adjustments for :		
Trade and other Receivables	(283.79)	(2,344.31)
Inventories	236.43	320.24
Trade payables & Other liabilities	(1,418.89)	(101.86)
Cash generated from operations	1,283.12	(5,902.69)
Income Taxes paid - net of refund	(514.86)	(762.34)
NET CASH FROM OPERATING ACTIVITIES	768.26	(6,665.03)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of property, plant & equipment	(52,506.89)	(700.29)
Sale of investment property	769.19	-
Payments of intangible assets	(69.78)	-
Proceeds from sale of property, plant & equipment	420.10	130.93
Loans to Joint Venture & Other Companies (net)	(11,810.64)	1,410.38
Non Current Investment in JV companies & Others	-	-
Purchase of Current Investment	(7,700.00)	-
Sale of current investment	7,724.33	5,702.25
Interest income	2,146.23	2,031.48
NET CASH USED IN INVESTING ACTIVITIES	(61,027.46)	8,574.75
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Short Terms borrowings and Cash Credit	10,005.46	(1,440.26)
Increase in long term liabilities	51,868.13	-
Dividend paid	(144.90)	(144.91)
Tax paid on Dividend	(29.79)	(29.49)
Finance cost	(1,254.52)	(293.22)
NET CASH USED IN FINANCING ACTIVITIES	60,444.38	(1,907.88)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	185.19	1.84
Opening Balance of Cash and Cash equivalents	228.39	226.55
Closing Balance of Cash and Cash equivalents	413.58	228.39
CHANGE IN CASH AND CASH EQUIVALENTS	185.19	1.84

As per our report of even date

 For **KANODIA SANYAL & ASSOCIATES**
 Chartered Accountants
 Firm's Registration No. 008396N

R K Kanodia
 Partner
 Membership No. 016121

 Place : Gurugram
 Date : 29th May 2019

PAWAN KUMAR RUSTAGI
 CFO
 PAN: AACPR8012M

Saurabh Agrawal
 Company Secretary
 ACS: 36163

 For & on Behalf of the Board of Directors
D. P. JINDAL
 Chairman
 DIN: 00405579

RAGHAV JINDAL
 Managing Director
 DIN: 00405984

K. K. KHANDELWAL
 Director
 DIN: 00455369

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Reporting entity

Jindal Drilling & Industries Limited (the "Company") is a company limited by shares, incorporated on 17th October' 1983 under the companies Act' 1956 and has its registered office at Raigad (Maharashtra) and head office at Delhi. JDIL's shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). JDIL is engaged in providing services to entities involved in exploration of Oil & Gas. These consolidated financial statements comprising the Company and its foreign joint ventures (referred collectively as "Group").

These consolidated financial statements are prepared in Indian rupees (INR) which is also the company's functional currency. All amounts have been rounded off to the nearest lacs unless otherwise indicated.

Note 1: Basis of preparation

i) Compliance with Ind AS

The consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) (Amendment), Rules, 2016 .

ii) Principal of consolidation and equity accounting

Joint Ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity method

Under the equity method, the investment in a joint venture is recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the Profit or loss of the investee after the date of acquisition. The investor's share of the investee's profit or loss is recognised in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for a change in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income. Such changes include those arising from the revaluation in property, plant and equipment and from foreign exchange translation differences. The investor's share of those changes is recognised in the investor's other comprehensive income. Unrealised gains on the transactions between the company and its joint ventures are eliminated unless the transaction provides evidence of an impairment of the asset transferred. The carrying amounts of equity accounted investments are tested for impairment in accordance with the policy.

Note 2: Other significant accounting policies

These are set out under "Significant Accounting Policies" as detailed in the Company's standalone financial statement.

Note 3 - Property, plant and equipment and capital work in progress

(₹ in Lakhs)

Particulars	Building	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total - (A)	CWIP (B)	Total (A+B)
Year ended 31st March 2019								
Gross carrying amount								
Deemed cost as at 1st April 2018	417.10	7,406.15	45.98	307.22	68.40	8,244.85	-	8,244.85
Additions	-	601.61	6.54	10.29	9.15	627.59	51,879.30	52,506.89
Disposals	-	(512.02)	-	(5.11)	(0.10)	(517.23)	-	(517.23)
Asset transfer from CWIP to building	-	-	-	-	-	-	-	-
Classified as Investment Property	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-
Closing gross carrying amount	417.10	7,495.74	52.52	312.40	77.45	8,355.21	51,879.30	60,234.51
Accumulated depreciation								
Opening Accumulated Depreciation	30.86	3,014.27	8.90	158.47	25.04	3,237.54	-	3,237.54
Depreciation for the year	13.38	785.81	4.90	44.66	12.85	861.60	-	861.60
Classified as Investment Property	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-
Closing accumulated depreciation	44.24	3,800.08	13.80	203.13	37.89	4,099.14	-	4,099.14
Net Carrying amount 31st March 2019	372.86	3,695.66	38.72	109.27	39.56	4,256.07	51,879.30	56,135.37
Net Carrying amount								
At 31st March 2018	386.24	4,391.88	37.08	148.75	43.36	5,007.31	-	5,007.31
At 31st March 2019	372.86	3,695.66	38.72	109.27	39.56	4,256.07	51,879.30	56,135.37

*The company opted to use the previous GAAP carrying values as deemed cost at the transition date for all its PPE, Investment Property and Intangible Assets.

* During the year 31st March 2016, Land & Building were reclassified as Investment property because management decided to lease the said property to third party.

Note 4 - Investment Property

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Gross carrying amount		
Opening gross carrying amount / Deemed Cost	1,431.50	1,431.50
Additions	-	-
Disposal	(402.47)	-
Closing gross carrying amount	1,029.03	1,431.50
Accumulated depreciation		
Opening accumulated depreciation	49.82	35.00
Depreciation charge	12.12	14.82
Closing Accumulated depreciation	61.94	49.82
Net carrying amount	967.09	1,381.68

*The Company opted to use the previous GAAP carrying values as deemed cost at the transition date for Investment property.

Note 5 - Other Intangible Assets

(₹ in Lakhs)

Particulars	Software	Total
Year ended 31 March 2019		
Gross carrying amount		
Deemed cost as at 1 April 2018	55.09	55.09
Additions - Others	69.78	69.78
Additions - Internally developed	-	-
Exchange Differences-	-	-
Closing gross carrying amount	124.87	124.87
Accumulated depreciation		
Opening Accumulated Amortisation	25.02	25.02
Amortisation for the year	19.85	19.85
Impairment charge	-	-
Exchange Differences	-	-
Closing accumulated depreciation	44.87	44.87
Net Carrying amount 31 March 2019	80.00	80.00
Net Carrying amount		
At 31 March 2018	30.07	30.07
At 31 March 2019	80.00	80.00

*The Company opted to use the previous GAAP carrying values as deemed cost at the transition date for Intangible Assets.

Note 6 - Investments

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
6(A)(i) Equity accounted investment in JV companies		
Discovery Drilling Pte. Ltd. (49% holding)*	47,920.67	43,415.73
Virtue Drilling Pte. Ltd. (49% holding)**	70,061.44	61,435.60
	<u>1,17,982.11</u>	<u>1,04,851.33</u>
6(A)(ii) Non-current investments at fair value		
Unquoted equity shares of other companies		
14 Shares in Internovia Natural res FZ LLC of AED 1000 each	2.37	2.37
5 Shares in Taloja CETP Co. Society Ltd of Rs. 100 each	0.01	0.01
Total	<u>2.38</u>	<u>2.38</u>

** Investments in Virtue Drilling Pte. Ltd. pledged with Banks/Financial Institution against borrowings by Virtue Drilling Pte. Ltd.

* Investments in Discovery Drilling pte. Ltd. pledged with Banks/Financial Institution against borrowings by RIG Owning Company from whom Rig has been taken on charter hire.

(B) - Current Investments at fair value

Particulars	As at 31st March, 2019		As at 31st March, 2018	
		Amount in ₹ Lakhs		Amount in ₹ Lakhs
i). Investment in Shares through FVOCI				
183296 Shares of Electrosteel Steels Limited of Rs. 10 each		56.82		219.96
7534 Shares of Jindal Steel & Power Limited of Rs. 1 each		13.54		16.51
Total - (i)		70.36		236.47
ii). Investment under Portfolio Management Services at fair value				
Religare Credit Investment Trust				
Total - (ii)		50.93		73.71
Total (i to ii)		121.29		310.18

* Non-current investments are recognised initially at carrying value while short term investments except investments in quoted equity share are recognised initially at fair value through FVTPL .

* Short term investments in quoted equity shares are recognised at fair value through FVOCI.

* Religare credit investment trust has been classified as current investment from non-current investments in current year.

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
-------------	--------------------------	--------------------------

Note 7 - Financial Assets - Loans, Non-current

(Unsecured, Considered good unless otherwise stated)

Loan to Related Parties	49,535.88	37,684.20
Loan to other Parties	891.44	891.44
	50,427.32	38,575.64

* Includes Loan to Joint Venture Companies, Discovery Drilling Pte Ltd & Virtue Drilling Pte Ltd are sub-ordinated to bank loan availed by said Joint Venture. These loans were given as part of Project financing.

Note 8 - Other financial assets, Non-current

Derivative instrument	-	65.20
Security Deposits	3,939.92	2,195.40
Advance Income Tax (Net)	2,289.28	2,540.23
	6,229.20	4,800.83

* Security deposits are recognised at fair value through FVTPL. The discounting rate taken at 9.5% p.a. for security paid to lessor except SD to Veenus (at 4.40% p.a. i.e. libor plus 3% margin). The discounting period taken as per the terms of contractual agreement.

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Note 9 - Deferred Tax Assets / Liabilities		
Deferred Tax Liability		
Depreciation and Amortization	907.41	1,330.23
Reclassification of FCTRA	696.65	730.05
Change in fair value of cash flow hedging	-	20.79
Remeasurement of employee benefit obligation	-	56.72
Share of OCI of equity accounted investees	28.48	33.85
Foreign exchange gain on consolidation	4,098.72	1,302.42
Equity Instrument - Fair Value Gain	(90.87)	(50.52)
(A)	<u>5,640.39</u>	<u>3,423.54</u>
Deferred Tax Asset		
Provision for Leave Encashment	14.06	17.75
Loss allowance on Loans & Advances - ECL	28.55	33.93
Security Deposit - Fair Value Loss	7.91	0.47
JDIL Employee Welfare trust loan - Fair Value Loss	13.09	29.76
Unabsorbed Depreciation	195.27	331.69
Unabsorbed Business Losses	429.59	793.32
(B)	<u>688.47</u>	<u>1,206.92</u>
Net Deferred Tax Liability	(A-B) <u>4,951.92</u>	<u>2,216.62</u>
Note 10 - Inventories		
(At lower of cost or net realisable value)		
Stores & Spares	790.53	1,026.96
	<u>790.53</u>	<u>1,026.96</u>
Note 11 - Financial Assets - Trade Receivables, Current		
Unsecured, Considered good	10,021.45	10,209.95
Unsecured, Doubtful	-	-
Less: Provision for doubtful recoveries	-	-
	<u>10,021.45</u>	<u>10,209.95</u>
Note 12 - Cash and Cash Equivalents		
Cash in hand	2.69	5.79
Balances with Scheduled Banks		
- In Current Accounts	352.37	0.91
- In Unclaimed Dividend Accounts	4.34	4.08
- Fixed Deposit Account *	54.18	217.61
	<u>413.58</u>	<u>228.39</u>
* Fixed deposits given as margin money against bank gauranty.		
Note 13 - Financial Assets - Loans, Current		
Loan to Related Parties	11,753.80	11,078.90
	<u>11,753.80</u>	<u>11,078.90</u>
Note 14 - Other Current Assets		
Claim (Loss in hole) receivables	106.27	94.97
Advances recoverable in cash or in kind #	1,421.82	2,171.33
Gratuity Fund	5.01	25.50
Interest receivables	2,746.86	2,653.19
	<u>4,279.96</u>	<u>4,944.99</u>

Includes primarily advances to trade creditors, recoverables etc.

Note 15 - Equity Share Capital & Other Reserves
Equity Share Capital

Authorized equity share capital of Rs. 5 each

	No. of shares	Equity Capital (₹ In Lakhs)
As at 31st March 2018	4,65,00,000	2,325.00
Increase during the year	-	-
As at 31st March 2019	4,65,00,000	2,325.00

Issued, Subscribed and Paid Up Capital
(i) Movement in equity share capital

	No. of shares	Equity Capital (₹ In Lakhs)
As at 31st March 2018	2,89,81,104	1,449.06
Issued during the year	-	-
As at 31st March 2019	2,89,81,104	1,449.06

Terms and rights attached to equity shares

"Equity shares have a par value of INR 5. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the company in proportion to the number of amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	% Holding	No. of Shares	% Holding	No. of Shares
a) Jindal Global Finance and Investment Ltd	18.18	52,68,148	18.18	52,68,148
b) Sudha Apparels Ltd	10.63	30,81,000	10.63	30,81,000
c) Stable Trading Co. Ltd	10.56	30,59,168	10.56	30,59,168
d) Crispark Viocom Ltd	14.49	41,98,350	14.49	41,98,350
e) Jindal Pipes Limited	6.81	19,74,500	-	-

(₹ in Lakhs)

	As at 31st March 2019	As at 31st March 2018
--	--------------------------	--------------------------

Note 16 - Other equity
16(a) Reserve & Surplus

Securities Premium Reserve	29,613.35	29,613.35
General Reserve	24,562.94	24,562.94
Retained Earning	1,14,966.84	1,08,869.73
Total reserves and surplus	1,69,143.13	1,63,046.02
Securities Premium Reserve		
Opening Balances	29,613.35	29,613.35
Addition during the year	-	-
Closing Balance	29,613.35	29,613.35
General Reserve		
Opening Balances	24,562.94	24,562.94
Addition during the year	-	-
Closing Balance	24,562.94	24,562.94
Surplus in Statement of Profit & Loss		
Opening Balances	1,08,869.73	1,09,840.83
Net profit for the period	6,821.04	(832.64)
Remeasurement of employment benefit obligation, net of tax	5.63	35.94
Transfer to FCTRA reversal adjustment	(551.73)	-
Transfer to Cash Flow Hedge Reserve	(3.14)	-
Dividends & CD Tax	(174.69)	(174.40)
Closing Balance	1,14,966.84	1,08,869.73

(₹ in Lakhs)

	As at 31st March 2019	As at 31st March 2018
16(b) Other OCI Reserves		
Hedging reserve - (net of tax)	-	39.28
Foreign currency translation reserve - (net of tax)	1,695.69	1,379.43
Foreign exchange gain on consolidation, net of tax	9,770.03	2,460.93
Share of OCI of joint ventures, net of tax	64.55	64.55
Change in fair value of equity instruments (net of tax)	(213.18)	(95.45)
Closing Balance	11,317.09	3,848.74
Total of other equity (A+B)	1,80,460.22	1,66,894.76
Note 17(A) - Other Financial Liabilities, Non-current		
Leave Encashment	36.47	41.73
	36.47	41.73
Note 17(B) - Other Non-current liabilities		
RIG Purchases consideration payable	51,868.13	-
	51,868.13	-
Note 18 - Current Borrowings		
Secured		
Loans repayable on demand from Banks	1,034.55	1,543.55
Unsecured		
Inter Corporate Loans - JPL	2,447.27	1,453.94
Inter Corporate Loans - MSL	12,831.18	3,310.05
	16,313.00	6,307.54
* Working capital loans are secured by hypothecation of inventories, book debts and all other current assets and first charge on fixed assets excluding specific charges, ranking pari-passu amongst working capital lending banks.		
Note 19 - Trade Payables		
Micro , Small & Medium Enterprises	77.37	-
Creditors	2,408.36	2,006.21
	2,485.73	2,006.21
Note 20 - Other Current Liabilities		
Other Current Liabilities #	1,623.40	3,519.04
Unpaid Dividend *	4.34	4.08
	1,627.74	3,523.12
* There is no amount due and outstanding to be credited to investors education & protection fund.		
# Includes statutory dues, advances from customers, security deposits etc.		
Note 21 - Provisions		
Leave Encashment Payable	11.80	9.57
	11.80	9.57
Note 22 - Revenue From Operations		
Drilling Services	20,739.37	14,893.97
	20,739.37	14,893.97

(₹ in Lakhs)

	As at 31st March 2019	As at 31st March 2018
Note 23(a) - Other Income		
Profit on Sale of Current Investments (Net)	355.81	1,267.30
Rent Received	24.76	33.76
Miscellaneous Income	122.84	460.16
Interest Received	2,146.23	2,031.48
Foreign Exchange Fluctuation (Net)	2,700.97	10.47
Bad Debts Written Back	-	1,500.00
Fair Value through P&L:		
Fair value gain on Mutual Fund	-	(1,223.00)
Loss allowance on trade receivables	-	22.34
Loss allowance on MOGL Loans	-	10.79
Unwinding interest income on JDIL Interest Free Loan	41.04	163.80
Unwinding interest income on Security Deposits	-	204.09
	5,391.65	4,481.19
Note 23(b) - Other Comprehensive Income		
Change in fair value of hedging	(65.20)	29.78
Foreign Currency Translation Reserve Account	1,766.95	163.95
OCI through Equity Instrument	(166.10)	(193.43)
Remeasurement of defined benefit liability	7.94	54.96
Total	1,543.59	55.26
Note 24 - Operating Expenses		
Rig Hire Charges	9,588.50	6,296.80
Drilling Operation expenses #	2,619.87	1,149.41
Stores & Spares Consumed	2,003.55	2,319.46
	14,211.92	9,765.67
Note 25 - Employee Benefits Expenses		
Salary, Wages & Other Allowances	3,105.74	2,530.07
Contribution to PF & Other Funds	67.71	79.68
Staff Welfare Expenses	128.09	102.89
	3,301.54	2,712.64
Note 26 - Finance Costs		
Interest on loan & advances	1,228.72	293.22
Unwinding discount on Security Deposit	25.80	-
	1,254.52	293.22

(₹ in Lakhs)

	As at 31st March 2019	As at 31st March 2018
Note 27 - Other Expenses		
Electricity & water Charges	43.71	24.16
Rent	280.44	232.42
Rates & Taxes	5.09	11.66
Telephone & Communication Expenses	20.21	23.16
Printing & Stationery	13.02	10.88
Travelling & Conveyance:	53.83	59.19
Vehicle Upkeep & Maintenance	54.18	60.80
Repair & Maintenance		
Building	1.13	1.82
Others	100.31	58.10
Legal & Professional Charges	42.51	524.47
Insurance	2.44	1.23
Fees & Subscription	38.31	32.64
Internal Audit Fees	3.00	3.00
Auditors' Remuneration :		
- Audit Fee	3.40	3.40
- Tax Audit Fee	0.50	0.50
- Company Law Matters	1.64	3.05
General Exp	41.24	90.72
Corporate Social Responsibilities	29.00	45.00
Advertisement & Business Promotion	33.23	91.64
Tender Fee	0.64	2.53
Bank Charges	95.87	83.71
Loss on sale of Fixed assets	84.68	3.62
Claim Paid	-	5,841.22
Misc Balances Written Off	1,486.69	1,259.24
Total	2,435.07	8,468.16

Note 28: Additional information w.r.t. Interest in Joint Ventures
Joint Ventures investment as per equity method – incorporated in Singapore

(₹ in Lakhs)

Name of the entity in group	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Discovery Drilling Pte. Ltd.	49%	47,920.67	49%	(370.56)	49%	0.00	49%	(370.56)
Virtue Drilling Pte. Ltd.	49%	70,061.44	49%	3,189.40	49%	0.00	49%	3,189.40

Note 29: Basis of preparation of financial statement of Joint Venture Companies

The audited financial statements of foreign joint venture companies have been prepared in accordance with the Singapore Financial Reporting Standards "FRS".

Note 30: Income tax expenses

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Current Tax	765.81	-
MAT Credit	(16.56)	-
Deferred Tax		
- Relating to origination and reversal of temporary differences	-	-
- Relating to origination and reversal of temporary differences	(717.04)	(856.41)
- Re-measurements of post-employment benefit obligations	2.31	19.02
- Change in cash flow hedging	(18.97)	10.30
- Reclassification of Foreign Currency Translation Reserve Account	514.53	56.74
- Change in foreign exchange gain on consolidation	3,002.84	178.26
- Change in fair value of equity instrument	(48.37)	(66.94)
Total Deferred Tax	2735.30	(659.03)

Note 31: Effective tax reconciliation

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

(₹ In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Profit Before Tax but after share of profit of JV	6,853.25	(1,689.06)
Less: Profit of share of JV	2,818.84	1,093.50
Profit Before Tax	4,034.41	(2,782.56)
Applicable Statutory Enacted Income Tax Rate	34.944%	34.608%
Computed Tax Expense	1,409.78	-
Increase/(Reduction) in Taxes on Account of		
Additional Allowances for Tax Purpose	(643.97)	(1,125.00)
Items not Liable to Tax	-	(138.79)
Tax losses unutilized / Items Taxed at Different Rate	-	-
Tax Expense Relating to Earlier Years (Net)	-	-
Others	(733.60)	407.38
Income Tax Expense reported in financial statement	32.21	(856.41)

Note 32: Capital Management

The primary objective of the group's capital management is to ensure availability of funds at competitive cost for its operational and development needs and maintain a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The group manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended 31.03.2019 and 31.03.2018. There have been no breaches of the financial covenants of any interest bearing loans and borrowings for the reported period.

The group monitors capital structure on the basis of debt to equity ratio. For the purpose of group's capital management, equity includes paid up equity share capital and reserves and surplus and effective portion of cash flow hedge and Debt comprises of long term borrowings including current maturities of these borrowings.

The following table summarizes long term debt and equity of the group:

(₹ In Lakhs)

Particulars	31st March 2019	31st March 2018
Equity Share Capital	1,449.06	1,449.06
Reserves and Surplus (including effective portion of cash flow hedge)	1,80,460.22	1,66,894.76
Total Equity	1,81,909.28	1,68,343.82
Long Term Debt #	-	-
Debt to Equity Ratio	0.00	0.00

Note 33: Fair value measurement

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets:

(₹ In Lakhs)

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial Assets						
Non-current	-	-	1,17,982.11	-	-	1,04,851.33
Investments in Equity Shares of JV Companies	-	-	2.38	-	-	2.38
Loans	1,364.50	-	49,062.82	1,323.46	-	37,252.18
Derivative financial instrument	-	-	-	65.20	-	-
Security Deposit	3,939.92	-	-	2,195.40	-	-
Other Financial Assets-Non Current	-	-	2,289.28	-	-	2,540.23
Current	-	-	-	-	-	-
Investments in Equity Shares of other companies	-	70.36	-	-	236.47	-
Investments in Religare Credit Investment Trust	-	-	50.93	-	-	73.71
Trade Receivables	-	-	10,021.45	-	-	10,209.95
Cash and Cash Equivalents and Bank Balances	-	-	413.58	-	-	228.39
Loans	-	-	11,753.80	-	-	11,078.90
Total Financial Assets	5,304.42	70.36	1,91,576.35	3,584.06	236.47	1,66,237.07
Financial Liabilities						
Short term borrowings	-	-	16,313.00	-	-	6,307.54
Trade Payables	-	-	2,485.73	-	-	2,006.21
Total Financial Liabilities	-	-	18,798.73	-	-	8,313.75

Fair Value Techniques:

The fair value 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:

- Fair value of cash and short term deposits, trade receivables, trade payables, non-current loans, other current financial assets, short term borrowings and other current financial liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.
- Long term fixed rate and variable rate receivables / borrowings are evaluated by the Company based on parameters such as interest rate, 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 borrowings fair value is determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.
- The fair value 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 derivatives counterparties and believe them to be significant and warranting a credit adjustment.

Fair Value Hierarchy

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

Quoted prices / published Net Asset Value (NAV) in an active markets (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities and financial instruments like mutual funds for which NAV is published by mutual funds. This category consist mutual fund investments and equity share instrument of other companies / JV's.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (that is, unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

Assets and Liabilities Measured at Fair Value (Accounted)

(₹ In Lakhs)

Particulars	As at 31 March 2019				As at 31 March 2018			
	Level - 1	Level - 2	Level - 3	Total	Level - 1	Level - 2	Level - 3	Total
Financial Assets measured at fair value								
Investments	70.36	-	-	70.36	236.47	-	-	236.47
Derivatives designated as hedge	-	-	-	-	-	65.20	-	65.20
Loans	-	1,364.50	-	1,364.50	-	1,323.46	-	1,323.46
Security Deposit	-	3,939.92	-	3,939.92	-	2,195.40	-	2,195.40

During the year ended 31.03.2019 and 31.03.2018, there were no transfers between Level 1 and level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as at 31.03.2019 and 31.03.2018;

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Derivatives Financial Instruments - Designated as Hedging Instrument	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Security Deposit	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows	-
Loan to JDIL Employee Welfare trust	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows	-

Note 34: Earning per share (EPS)

Basic and Diluted EPS

(₹ In Lakhs)

Particulars	2018-2019	2017-2018
Profit or Loss attributable to ordinary Equity shareholders	15,224.24	(459.68)
Equity Share Capital	1,449.06	1,449.06
Weighted average number of equity shares outstanding (Face value of Rs. 5/- per share) in lacs	289.81	289.81
Earnings Per Share – Basic and Diluted (Rs.)	52.53	(1.59)

Note 35: Other significant notes on consolidated financial statement

These are set out under "Note forming part of standalone financial statement" as detailed in the Company's standalone financial statement.

Note 36: Statement pursuant to Section 129 (3) of the Companies Act 2013 read Rule 5 of Companies (Accounts) Rule, 2014

S. No.	Particulars	Name of Joint Ventures	
		Discovery Drilling Pte. Ltd.	Virtue Drilling Pte. Ltd.
1	Latest Audited Balance Sheet Date	31-05-2018	23-08-2018
2	Share of Joint Ventures held by the company on the year end		
	No. of Shares (In Lacs)	114.38	139.83
	Amount of Investment (In ₹ Lacs)	7,411.97	11,247.41
	Extent of Holding (%)	49%	49%
3	Description of how there is significant influence	Associated by Share holding	Associated by Share holding
4	Reason why the Joint Ventures are not consolidated	NA	NA
5	Net worth attributable to Shareholding as per latest audited balance sheet (₹ In Lacs)	47,920.67	70,061.44
6	Profit / (Loss) for the year :		
	Considered in consolidation (₹ In Lacs)	(370.56)	3,189.40
	Not Considered in consolidation (₹ In Lacs)	(385.68)	3,319.58

*There is significant influence due to percentage (%) of holding in JV's Share Capital.

Note 37: Miscellaneous

- Dues to micro and small enterprises have been determined as per information collected by the management & have been relied upon by the auditors.
- In the opinion of the Management and to the best of their knowledge and belief, the value of current assets, loans and advances, if realised in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
- Previous year's figures have been re-grouped/ re-arranged/ re-classified wherever considered necessary.

As per our report of even date

For **KANODIA SANYAL & ASSOCIATES**
 Chartered Accountants
 Firm's Registration No. 008396N

R K Kanodia
 Partner
 Membership No. 016121

Place : Gurugram
 Date : 29th May 2019

PAWAN KUMAR RUSTAGI
 CFO
 PAN: AACPR8012M

Saurabh Agrawal
 Company Secretary
 ACS: 36163

For & on Behalf of the Board of Directors

D. P. JINDAL
 Chairman
 DIN: 00405579

RAGHAV JINDAL
 Managing Director
 DIN: 00405984

K. K. KHANDELWAL
 Director
 DIN: 00455369

NOTICE

CIN: L27201MH1983PLC233813

Registered Office: Pipe Nagar, Village Sukeli, N.H. 17, B.K.G. Road,

Taluka Roha, Distt. Raigad - 402 126, Maharashtra

Tel: 02194-238511-12, Fax: 02194-238513

E-mail: secretarial@jindaldrilling.in, website: www.jindal.com

NOTICE

Notice is hereby given that the 35th Annual General Meeting of Jindal Drilling and Industries Limited will be held on Tuesday, the 24th September, 2019 at 2.30 PM. at Jindal Mount Litera Zee School Auditorium, Pipe Nagar, Village-Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad - 402 126, Maharashtra to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the (a) Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of Directors and Auditors thereon and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Report of Auditors thereon and in this regard to pass the following resolution(s) as ordinary resolution(s):
 - (a) "RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of Directors and Auditors thereon be and are hereby received, considered and adopted."
 - (b) "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Report of Auditors thereon be and are hereby received, considered and adopted."
2. To declare dividend on equity shares and in this regard to pass the following resolution as an ordinary resolution:

"RESOLVED THAT the dividend of ₹ 0.50 (10%) per Equity Share on 2,89,81,104 equity shares of ₹ 5/- each fully paid up be and is hereby declared for the financial year ended 31st March, 2019."
3. To appoint a Director in place of Shri Dharam Pal Jindal, who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an ordinary resolution:

"RESOLVED THAT Shri Dharam Pal Jindal (DIN -00405579), who retires by rotation be and is hereby re-appointed as Director of the Company."

SPECIAL BUSINESS

4. To re-appoint Shri Krishna Kumar Khandelwal as an Independent Director and in this regard to pass the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014, applicable provisions of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), on the recommendations of the Nomination and Remuneration Committee and Board and the Nomination and Remuneration Policy of the Company, Mr. Krishna Kumar Khandelwal (DIN 00455369), Independent Director of the Company, whose term of office shall expire on September 25, 2019 and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company for a term of five consecutive years with effect from September 26, 2019 to September 25, 2024, not liable to retire by rotation."

5. To re-appoint Shri Vijay Kumar Kaushik as an Independent Director and in this regard to pass the following resolution as a Special Resolution.
 “RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014, applicable provisions of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), on the recommendations of the Nomination and Remuneration Committee and Board and the Nomination and Remuneration Policy of the Company, Mr. Vijay Kumar Kaushik (DIN 02249672), Independent Director of the Company, whose term of office shall expire on September 25, 2019 and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company for a term of five consecutive years with effect from September 26, 2019 to September 25, 2024, not liable to retire by rotation.”
6. To re-appoint Smt. Saroj Bhartia as an Independent Director and in this regard to pass the following resolution as a Special Resolution.
 “RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014, applicable provisions of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), on the recommendations of the Nomination and Remuneration Committee and Board and the Nomination and Remuneration Policy of the Company, Mrs. Saroj Bhartia (DIN 00088456), Independent Director of the Company, whose term of office shall expire on September 25, 2019 and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company for a term of five consecutive years with effect from September 26, 2019 to September 25, 2024, not liable to retire by rotation.”
7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:
 “RESOLVED THAT pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for Related Party transaction(s) with Discovery Drilling Pte. Ltd., Singapore for purchase of Rig Discovery I, sale of equipment / spares and other transactions as detailed in the explanatory statement annexed to this Notice.”
8. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:
 “RESOLVED THAT pursuant to Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for Related Party transaction(s) with Jindal Pipes Limited, for technical services, loan and other transactions, as detailed in the Explanatory Statement annexed to this Notice.”
9. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:
 “RESOLVED THAT pursuant to Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for Related Party transaction(s) with Maharashtra Seamless Limited, for rent paid, rental Income, loan and other transactions, as detailed in the Explanatory Statement annexed to this Notice.”

10. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for Related Party transaction(s) with Virtue Drilling PTE. Ltd, for loan and other transactions, as detailed in the Explanatory Statement annexed to this Notice.”

Place : Gurugram
Dated : 07th August, 2019

**By Order of the Board of Directors,
for JINDAL DRILLING AND INDUSTRIES LIMITED**

Registered Office:
Pipe Nagar, Village- Sukeli,
N.H. 17, B.K.G. Road,
Taluka Roha, Distt.
Raigad-402126, Maharashtra
Tel: 02194-238511-12, Fax: 02194-238513
E-mail: secretarial@jindaldrilling.in
website: www.jindal.com

SAURABH AGRAWAL
Company Secretary
Membership No. A36163

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Form of Proxy is separately annexed. The instrument of Proxy, in order to be effective must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of Companies/bodies corporate must be supported by an appropriate resolution/authority as applicable.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person and shareholder.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
3. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip, which is enclosed with this Annual Report. Members / Proxies are requested to sign at the place provided on the Attendance Slip and hand it over at the Registration Counter at the venue. Further they are also requested to bring their copy of the Annual Report for reference at the meeting.
4. The Company has fixed 11th September, 2019 as the 'Record Date' for determining entitlement of Members to dividend for the financial year ended 31st March, 2019. Dividend, if declared, at the ensuing Annual General Meeting will be paid only to those members whose names are registered as such in the Register of Members of the Company after giving effect to valid transmission/transposition of share in physical form lodged with the Company on or before 11th September, 2019 and to the Beneficial Owners as per data as on 11th September, 2019, as may be provided by the NSDL and CDSL. Dividend as recommended by the Board of Directors, if declared at the meeting, will be payable on or after 27th September, 2019.
5. Members holding shares in electronic form may note that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar & Transfer Agent cannot entertain any request received directly from members for deletion / change of bank details holding shares in electronic form. In this regard, Members should contact their Depository Participant (DP) and furnish particulars of any changes desired by them.
6. As per Regulation 40 of SEBI Listing Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent, Alankit Assignments Ltd. for assistance in this regard.

The Company has transferred the unpaid or unclaimed dividend upto the financial year 2010-11 from time to time on due dates, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Company has uploaded the details of unpaid and unclaimed dividends lying with the Company, as on 25th September, 2018 (date of last Annual General Meeting) on the website of the Company and also on the website of the Ministry of Corporate Affairs. Details of dividend declared for the financial years 2011-12 onwards are given below:

Year	Date of Declaration	Dividend (%)	Per share (₹)
2011-12	28.09.2012	10	0.50
2012-13	30.09.2013	10	0.50
2013-14	26.09.2014	10	0.50
2014-15	28.09.2015	10	0.50
2015-16	27.09.2016	10	0.50
2016-17	26.09.2017	10	0.50
2017-18	25.09.2018	10	0.50

Shareholders who have not yet encashed their dividend warrants are requested in their own interest to claim the outstanding dividend before it falls due for transfer to the aforesaid Fund.

7. National Electronic Clearing Service (NECS) Facility:
- (a) Members holding shares in physical form who wish to avail NECS facility may authorize the Company with their NECS mandate in the prescribed form, which can be downloaded from the Company's website www.jindal.com or can be obtained from the Corporate Office of the Company. Requests for payment of dividend through NECS should be lodged latest by September 7, 2019 at the Corporate Office of the Company at Plot No. 30 Institutional Sector - 44, Gurugram – 122002 Haryana.
- (b) Members holding shares in demat form who wish to avail NECS facility, may send mandate in the prescribed form to their respective Depository Participants.
8. Members desirous of getting any information in respect of Accounts of the Company are requested to send their queries in writing to the Company at its Registered Office/Corporate office so as to reach at least 7 days before the date of the meeting so that the required information can be made available at the meeting.
9. Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]:

Name of the Director	MR. DHARAM PAL JINDAL	MR. KRISHNA KUMAR KHANDELWAL	MR. VIJAY KUMAR KAUSHIK	MRS. SAROJ BHARTIA
DIN	00405579	00455369	02249672	00088456
Date of Birth & age	15/02/1950 & 69 year	30/09/1933 & 85 year	18/11/1953 & 65 year	14/11/1954 & 64 year
Qualification	B. Com	M.COM, CAIIB	Law Graduate	Graduate
Experience and Expertise	Prominent Industrialist having wide business experience.	Veteran Banker having over four decades of experience in finance, banking and administration. He held various senior positions in the Banking sector and last being the Managing Director of State Bank of Hyderabad.	Having wide industrial and business experience.	Having wide industrial & Business experience
Remuneration proposed to be paid	Nil (Except Sitting Fee under the limit specified in Companies Act, 2013)	Nil (Except Sitting Fee under the limit specified in Companies Act, 2013)	Nil (Except Sitting Fee under the limit specified in Companies Act, 2013)	Nil (Except Sitting Fee under the limit specified in Companies Act, 2013)
Date of first appointment on the Board	17/10/1983	24/03/2000	26/03/2009	24/05/2014
Number of Meetings of the Board attended during the year	Details mentioned in the Corporate Governance report.	Details mentioned in the Corporate Governance report.	Details mentioned in the Corporate Governance report.	Details mentioned in the Corporate Governance report.
Directorships held in companies including Listed Companies as on March 31, 2019	Provided in the CG Report	Provided in the CG Report	Provided in the CG Report	Provided in the CG Report
Chairman/ Member of the Committee of the Board of directors as on March 31, 2019	Provided in the CG Report	Provided in the CG Report	Provided in the CG Report	Provided in the CG Report
Number of Shares held in the Company as on March 31, 2019	Provided in the CG Report	Provided in the CG Report	Provided in the CG Report	Provided in the CG Report
Relationship with other directors, manager and other Key Managerial Personnel of the company	Father of Mr. Raghav Jindal	NIL	NIL	NIL

Name of the Director	MR. DHARAM PAL JINDAL	MR. KRISHNA KUMAR KHANDELWAL	MR. VIJAY KUMAR KAUSHIK	MRS. SAROJ BHARTIA
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	As per Nomination and Remuneration Policy of the Company Remuneration last drawn : Nil except sitting fee for attending Board Meetings & Audit Committee Meetings	As per Nomination and Remuneration Policy of the Company Remuneration last drawn : Nil except sitting fee for attending Board Meetings & Audit Committee Meetings	As per Nomination and Remuneration Policy of the Company Remuneration last drawn : Nil except sitting fee for attending Board Meetings & Audit Committee Meetings	As per Nomination and Remuneration Policy of the Company Remuneration last drawn : Nil except sitting fee for attending Board Meetings
Brief Profile	Provided Given Below *	Provided in the Explanatory Statement	Provided in the Explanatory Statement	Provided in the Explanatory Statement

* Shri D P Jindal is a Commerce Graduate. He has been associated with the Steel Pipe and Oil & Gas Drilling Industry for over 44 years and has contributed substantially to the industrial growth of the country with major ascent catering to the requirements of the oil sector and core sector industry.

10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names recorded in the Register of Members will be entitled to vote.
11. Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking appointment/re-appointment at the Annual General Meeting forms integral part of the Notice. The Director has furnished the requisite declarations for their appointment/re-appointment.
12. Relevant documents referred to in the accompanying notice are open for inspection by the members for inspection at the Registered Office of the Company between 10.00 A.M. and 1.00 P.M. on any working day upto the date of the Annual General Meeting and also at the meeting.
13. As per SEBI Circular; No transfer of shares except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed after April 01, 2019 unless the securities are held in the dematerialized form with a depository
14. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the Companies are allowed to send communication to shareholders electronically. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company electronically.
15. In terms of Section 152 of the Companies Act, 2013, Mr. D.P.Jindal, retires by rotation at the Meeting and being eligible, he offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment. Brief resume of such directors is given in Board Report.
16. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Alankit Assignments Ltd / Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
17. Voting through electronic means
Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management And Administration) Rules, 2014 as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide 'remote e-voting' facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 35th Annual General Meeting (AGM) of the Company.

The facility for voting, through ballot / polling paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting right at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting, but shall not be entitled to cast their vote again at the AGM.

The voting rights of shareholders shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company as on cut-off date i.e. 17th September, 2019.

Mr. Manish Baldeva (FCS 6180), Practicing Company Secretary, has been appointed as Scrutinizer for providing facility to the Members of the Company to scrutinize the voting process in a fair and transparent manner.

The Scrutinizer shall submit his report, to the Chairman, within 48 hours from the conclusion of Annual General Meeting. The result declared along with the Scrutinizer's Report shall be placed on the website of the Company www.jindal.com and shall simultaneously be communicated to the Stock Exchanges.

The process and manner for remote e-voting are as under:

- (i) The remote e-voting period begins on 21st September, 2019 (9.00 A.M) and ends on 23rd September, 2019 (5.00 P.M). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 17th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" / Members".
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next, enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
OR Date of Birth (DOB)	If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Jindal Drilling and Industries Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" Option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. The person, responsible to address the grievances connected with e-voting, is given below:

Name : Mr. Rakesh Dalvi

Designation : Manager

Address : A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds,
N M Joshi Marg, Lower Parel (E), Mumbai – 400013.

Email id : helpdesk.evoting@cdslindia.com

Phone number : 1800225533

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4, 5 & 6**

As per Section 149(10) of the Act, an Independent Director shall hold office upto a term of upto 5 (five) consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto 5 (five) consecutive years on the Board of a Company. The Members of the Company had at the Annual General Meeting held on September 26, 2014 approved the appointment of following Independent Directors for a period of 5 years commencing from September 26, 2014 till September 25, 2019.

- Mr. Krishna Kumar Khandelwal (DIN : 00455369)
- Mr. Vijay Kumar Kaushik (DIN : 02249672)
- Mrs. Saroj Bhartia (DIN : 00088456)

Based on their performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and the Listing Regulations, and as per Articles of Association of the Company, Mr. Krishna Kumar Khandelwal, Mr. Vijay Kumar Kaushik and Mrs. Saroj Bhartia, are eligible for re-appointment as Independent Directors and have offered themselves for re-appointment. The Board of Directors recommends the proposal to re-appoint them as Independent Directors for a term as mentioned in the respective special resolutions.

The Company has received notice under Section 160 of the Companies Act, 2013 from Mr. Krishna Kumar Khandelwal, Mr. Vijay Kumar Kaushik and Mrs. Saroj Bhartia, signifying their candidature as an Independent Director of the Company. The Company has also received a declaration of independence from them.

In the opinion of the Board, Independent Directors fulfil the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for re-appointment as an Independent Director of the Company and are independent of the management. A copy of the draft Letter of Appointment for Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day. The Board considers that association of the Independent Directors would be of immense benefit to the Company considering their expertise and experience and it is desirable to avail services of these Independent Directors.

A brief profile of Independent Directors is given below:

BRIEF PROFILE OF MR. K. K. KHANDELWAL

Mr. K K Khandelwal is a post graduate in Commerce and also Chartered Associate of Indian Institute of Bankers. He is veteran Banker having over 4 decades of experience in finance, banking and administrative. He held various senior positions in the Banking sector and last being the Managing Director of State Bank of Hyderabad. He is also Director in many Indian Companies.

BRIEF PROFILE OF MR. VIJAY KAUSHIK

Mr. Vijay Kaushik, a law graduate by qualification, has wide industrial and business experience. He is also Director in other Indian Companies.

BRIEF PROFILE OF MRS. SAROJ BHARTIA

Mrs. Saroj Bhartia, a graduate by qualification, has wide industrial and business experience. She is also Director in other Indian Companies.

Further as per the Regulation 17(1A) of the Listing Regulations, appointment or continuation of a Non- Executive Director after attaining age of 75 years also requires approval of Members of the Company by way of Special Resolution. Mr. Krishna Kumar Khandelwal has attained the age of 75 (seventy five) years before proposing second term. The Special Resolution under Item Nos. 4, once passed, shall also be deemed as your approval under the Listing Regulations 2015, for continuation of Mr. Krishna Kumar Khandelwal as Independent Directors beyond the age of seventy five years.

None of the Independent Directors hold by himself/herself or for any other person on a beneficial basis, any shares in the Company except Mrs. Saroj Bhartia who holds 1000 equity shares of the Company. None of the Directors who are proposed to be reappointed is related to any Director or Key Managerial Personnel of the Company or their relatives. Except for the appointee Director for the purpose of his/ her own resolution, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 4 to 6 of the Notice.

This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

The Board recommends the Special Resolutions set out at Item No. 4 to 6 for the approval of Members.

Item No. 7

During the year ended 31st March, 2019, the Company has entered into material related party transactions, as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with Discovery Drilling Pte. Ltd., Singapore and in compliance thereof, shareholders' approval is being sought herein. The Audit Committee has approved Related Party Transactions, which were in the ordinary course of business and at arm's length basis, as placed before it.

The particulars of transaction are as under-

- Name of the Related Party – Discovery Drilling Pte. Ltd; Singapore.
- Name of the Director or Key Managerial Personnel, who is related, if any – As mentioned below.
- Nature of relationship- Discovery Drilling Pte. Ltd., Singapore is a Joint Venture Company.
- Nature, material terms, monetary value and particulars of transactions-

S. No.	Nature & Particulars of Transaction	Transaction Amount
1.	Reimbursement of Expenses	Equivalent to INR 13.20 Lakhs (approx.)
2.	Purchase of RIG Discovery I	(USD 75 Million) Equivalent to INR 51868.13 Lakhs (approx.)
3.	Sale of Equipment / Spares	Equivalent to INR 4.50 Lakhs (approx.)
4.	Interest Income on Loan	Equivalent to INR 1395.71 Lakhs (approx.)
5.	Income from Commission	Equivalent to INR 94.93 Lakhs (approx.)
6.	Purchase of Material, Services and others	Equivalent to 128.80 Lakhs (approx.)

- Any other information relevant for the members to make a decision on the transaction - Nil

Mr. Raghav Jindal, being a Director of Discovery Drilling Pte. Ltd; Singapore, his relatives (including Mr. D. P. Jindal, Director of the Company) may be deemed concerned or interested, financially or otherwise in the said resolution. None of the other Directors/ Key Managerial Personnel of the Company / their relatives is in any way concerned or interested, financially or otherwise in the resolution.

Board commends passing of the resolution set out at Item No. 7 of the Notice by the members.

Item No. 8:

During the year ended 31st March, 2019, the Company has entered into material related party transactions, as defined under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, with Jindal Pipes Limited and in compliance thereof, shareholders' approval is being sought herein. The Audit Committee has approved Related Party Transactions, which were placed before it.

The particulars of transaction are as under-

- Name of the Related Party- Jindal Pipes Limited.
- Name of the Director or Key Managerial personnel, who is related, if any- Please see note below.

- c. Nature of relationship- Jindal Pipes Limited is a Related Party.
d. Nature, material terms, monetary value and particulars of transactions-

S. No.	Nature & Particulars of Transaction	Transaction Amount
1.	Technical Service Income	USD 6,23,900 Equivalent to INR 432.02 Lakhs (approx.)
2.	Rental Income	INR 21.98 Lakhs (approx.)
3.	Advance Received against RIG Refurbishment	INR 464.74 Lakhs (approx.)
4.	Transaction of Loan	INR 4621.15 Lakhs (approx.)
5.	Interest Paid or Payable on the loan	INR 270.87 Lakhs (approx.)

- e. Any other information relevant for the members to make a decision on the transaction – Nil.

Mr. D P Jindal and Mr. Raghav Jindal being Directors and shareholders of Jindal Pipes Ltd. and their relatives may be deemed concerned or interested, financially or otherwise in the said resolution. None of the other Directors/ Key Managerial Personnel of the Company/ their relatives is in any way concerned or interested, financially or otherwise in the resolution.

Board commends passing of the resolution set out at Item No. 8 of the Notice by the members.

Item No. 9:

During the year ended 31st March, 2019, the Company has entered into material related party transactions, as defined under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, with Maharashtra Seamless Limited and in compliance thereof, shareholders' approval is being sought herein. The Audit Committee has approved Related Party Transactions, which were placed before it.

The particulars of transaction are as under-

- a. Name of the Related Party- Maharashtra Seamless Limited.
b. Name of the Director or Key Managerial personnel, who is related, if any- Please see note below.
c. Nature of relationship- Maharashtra Seamless Limited is a Related Party.
d. Nature, material terms, monetary value and particulars of transactions-

S. No.	Nature & Particulars of Transaction	Transaction Amount
1.	Rent paid	INR 8.19 Lakhs (approx.)
2.	Sale of Scrap	INR 7.74 Lakhs (approx.)
3.	Rental Income	INR 1.58 Lakhs (approx.)
4.	Loan Taken for financial assistance	INR 8760.00 Lakhs (approx.)
5.	Interest Paid or Payable on the loan	INR 845.70 Lakhs (approx.)
6.	Purchase of Material, Services and others	INR 3.25 Lakhs (approx.)

- e. Any other information relevant for the members to make a decision on the transaction – Nil.

Mr. D P Jindal being Director and shareholder and Mr. Raghav Jindal being shareholder of Maharashtra Seamless Ltd and their relatives may be deemed concerned or interested, financially or otherwise in the said resolution. None of the other Directors/ Key Managerial Personnel of the Company/ their relatives is in any way concerned or interested, financially or otherwise in the resolution.

Board commends passing of the resolution set out at Item No. 9 of the Notice by the members.

Item No. 10

During the year ended 31st March, 2019, the Company has entered into material related party transactions, as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with Virtue Drilling PTE. LTD., Singapore and in compliance thereof, shareholders' approval is being sought herein. The Audit Committee has approved Related Party Transactions, which were in the ordinary course of business and at arm's length basis, as placed before it.

The particulars of transaction are as under-

- a. Name of the Related Party – Virtue Drilling PTE. Ltd; Singapore.
- b. Name of the Director or Key Managerial Personnel, who is related, if any – As mentioned below.
- c. Nature of relationship- Virtue Drilling PTE. Ltd., Singapore is a Joint Venture Company.
- d. Nature, material terms, monetary value and particulars of transactions-

S. No.	Nature & Particulars of Transaction	Transaction Amount
1.	Loan given for financial assistance	USD 138 Lakhs Equivalent to INR 9541.32 Lakhs (approx.)
2.	Interest Income on Loan	Equivalent to INR 740.66 Lakhs (approx.)

- e. Any other information relevant for the members to make a decision on the transaction - Nil

Mr. Raghav Jindal, being a Director of Virtue Drilling PTE. Ltd; Singapore, his relatives (including Mr. D. P. Jindal, Director of the Company) may be deemed concerned or interested, financially or otherwise in the said resolution. None of the other Directors/ Key Managerial Personnel of the Company / their relatives is in any way concerned or interested, financially or otherwise in the resolution.

Board commends passing of the resolution set out at Item No. 10 of the Notice by the members.

Place : Gurugram
Dated : 07th August, 2019

**By Order of the Board of Directors,
for JINDAL DRILLING AND INDUSTRIES LIMITED**

Registered Office:
Pipe Nagar, Village- Sukeli,
N.H. 17, B.K.G. Road,
Taluka Roha, Distt.
Raigad-402126, Maharashtra
Tel: 02194-238511-12, Fax: 02194-238513
E-mail: secretarial@jindaldrilling.in
website: www.jindal.com

SAURABH AGRAWAL
Company Secretary
Membership No. A36163

JINDAL DRILLING AND INDUSTRIES LIMITED

Registered Office: Pipe Nagar, Village- Sukeli, N.H. 17, B.K.G. Road,

Taluka Roha, Distt. Raigad-402126, Maharashtra

Tel: 02194-238511-12, Fax: 02194-238513

E-mail: secretarial@jindaldrilling.in, website: www.jindal.com

CIN: L27201MH1983PLC233813

PROXY FORM

(Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules 2014)

Name of the member(s):

Registered address

E-mail ID:

Folio No. / DP ID and Client ID:

I/We, being the member(s) of..... shares of Jindal Drilling and Industries Limited, hereby appoint :

1) Name :E-mail id

Address:

Signature :, or failing him/her

2) Name :E-mail id

Address:

Signature :, or failing him/her

3) Name :E-mail id

Address:

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on Tuesday, 24th September, 2019 at 2.30 P.M. at Jindal Mount Litera Zee School Auditorium, Pipe Nagar, Village-Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad - 402126, Maharashtra and at any adjournment thereof, in respect of such resolutions as are indicated below :

* I/we wish my/our above Proxy (ies) to vote in the manner as indicated in the box below :-

Resolutions		For	Against
1.	As Ordinary Resolution To consider and adopt : a. the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of Directors and Auditors thereon; and b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Report of Auditors thereon;		
2.	As Ordinary Resolution Declaration of Dividend on Equity Shares.		
3.	As Ordinary Resolution Re-appointment of Shri Dharam Pal Jindal who retires by rotation.		

Resolutions		For	Against
4.	As Special Resolution Re-appointment of Shri Krishna Kumar Khandelwal as an Independent Director of the Company for a term of five consecutive years with effect from September 26, 2019 to September 25, 2024, who shall not be liable to retire by rotation.		
5.	As Special Resolution Re-appointment of Shri Vijay Kumar Kaushik as an Independent Director of the Company for a term of five consecutive years with effect from September 26, 2019 to September 25, 2024, who shall not be liable to retire by rotation.		
6.	As Special Resolution Re-appointment of Smt. Saroj Bharotia as an Independent Director of the Company for a term of five consecutive years with effect from September 26, 2019 to September 25, 2024, who shall not be liable to retire by rotation.		
7.	As Ordinary Resolution Approval of related party transaction(s) with Discovery Drilling Pte. Ltd.		
8.	As Ordinary Resolution Approval of related party transaction(s) with Jindal Pipes Ltd.		
9.	As Ordinary Resolution Approval of related party transaction(s) with Maharashtra Seamless Ltd.		
10.	As Ordinary Resolution Approval of related party transaction(s) with Virtue Drilling Pte. Ltd.		

Signed this day of 2019

Affix a
Revenue
Stamp

Signature of shareholder

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

*Please put a (✓) in the appropriate column against the resolution indicator in the box. Alternatively, you may mention the no. of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes :

- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) In case the member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

JINDAL DRILLING AND INDUSTRIES LIMITED

Registered Office: Pipe Nagar, Village- Sukeli, N.H. 17, B.K.G. Road,
Taluka Roha, Distt. Raigad-402126, Maharashtra
Tel: 02194-238511-12, Fax: 02194-238513
E-mail: secretarial@jindaldrilling.in, website: www.jindal.com
CIN: L27201MH1983PLC233813

Attendance slip for the 35th Annual General Meeting (to be hand over at the registration counter)

I/We hereby record my/our presence at the 35th Annual General Meeting of the Company on Tuesday, 24th September, 2019 at 2:30 P.M. at Jindal Mount Litera Zee School Auditorium at Pipe Nagar, Village Sukeli, N H 17, B K G Road, Taluka Roha, Distt Raigad - 402126 Maharashtra

NAME (S) AND ADDRESS OF THE MEMBER(S) _____ _____ _____
Folio No./DP ID* No. and Client ID* No. _____
Number of shares _____

Please ✓ in the Box

Member

Proxy

First / Sole Holder/Proxy

Second Holder / Proxy

Third Holder / Proxy

NOTES :

- i. Member / Proxy attending the Annual General Meeting (AGM) must bring his / her Attendance Slip which should be signed and deposited before entry at the Meeting Hall.
- ii. Duplicate Attendance Slip will not be issued at the venue.

*Applicable only in case of investors holding shares in Electronic Form.



JINDAL DRILLING AND INDUSTRIES LIMITED

Registered Office:

Pipe Nagar, Village Sukeli, NH 17, BKG Road,
Taluka Roha, Distt. Raigad- 402 126, Maharashtra, INDIA
Tel.: +91 219 4238 511/ 12/ 16
Fax: +91 219 423 8513
CIN: L27201MH1983PLC233813

Corporate Office:

Plot No. 30, Institutional Sector-44, Gurugram-122 002, Haryana, INDIA
Tel.: +91 124 2574325 / 26. 4624000
Fax: +91 124 2574327

Mumbai Office:

3rd Floor, Keshava Building, Bandra Kurla Complex, Bandra (East)
Mumbai- 400 051, Maharashtra, INDIA
Tel.: +91 22 26592888 / 89
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www.jindal.com



Member: International Association
of Drilling Contractors, Houston, Texas, USA