



**EVERY MOMENT
A STAINLESS
MOMENT**

**ANNUAL
REPORT
2013 | 14**

JSL 
JINDAL STAINLESS



SHRI O.P. JINDAL

August 7, 1930 - March 31, 2005

O.P. Jindal Group-Founder & Futurist

“India of the twenty first century needs the vision and dedication of men like Om Prakash Jindal, and I trust all of us will carry his ideals forward as his true legacy.”

Former Prime Minister of India
Shri Manmohan Singh

Building a self-reliant India was a lifelong dream for Shri OP Jindal. It was this patriotic zeal that took him from being a humble farmer's son to becoming the founder of an 18 billion dollar business empire, spanning across the metal and power sector. However, growth without inclusivity was meaningless for him. Throughout his life he worked for the masses in his home state of Haryana and across the country. He built several charitable hospitals & educational institutions. He also entered politics to directly connect and serve the people. All this to ensure that growth always reached beyond the few to the many.

At the OP Jindal group, his legacy of growth for all will always be a guiding light for us.



SAVITRI JINDAL

Chairperson Emeritus

At Jindal Stainless Limited we are committed to doing business in a sustainable manner with a focus on the concept of 'Shared Value'. Our core approach, while addressing social & development issues, is to encourage all stakeholders to undertake sustainable interventions with the aim of achieving the overarching vision of JSL 'to be admired as a socially responsible corporate.'

I feel very encouraged to see that in the vicinity of the plant locations, JSL is committed to a number of community development projects, thereby engaging in the process of development & growth and creating opportunities for all. I am particularly touched by the projects directed at empowering women as I believe that 'empowering a woman is to empower a family and by empowering a family you empower a community'. As part of the programme, women have been trained in book keeping skills and have opened bank accounts. The women self help groups, which have been created in the remote areas of Odisha because of their empowerment, are

engaged in micro credit activities and are taking loans from large and small banks. What is most encouraging is to get the report of timely repayment of loans to the banks, thereby being eligible for additional loans to support their livelihood agenda.

We are proud to augment facilities of NC Jindal Institute of Medical Sciences by introducing a Cardio Centre, a specialized Cancer Center and a Nursing School. People from Hisar and neighboring area can now avail advance treatments for severe ailments like cancer and various cardiovascular diseases. Above that, mobile health vans also function to provide primary health care services and regular health checkups to the people of more than 20 villages in Hisar and Jajpur.

Such initiatives help in achieving our goal towards an inclusive growth. Much more needs to be done as we remain committed in making a positive impact on various stakeholders. I am sure with the support of you all we can make the world a better place to live in.



Dear Shareholders

In 1913, production of stainless steel in the world was only a few tonnes. It reached 0.6 Mt in 1938 and increased to about 2.5Mt in 1963. It crossed the 10Mt mark in 1986. Today, the stainless steel production has increased to 38.1 million metric tonnes for FY 2013-14 (preliminary figures). With the exception of Western Europe and Africa, all regions achieved positive growth. China alone accounted for 46% growth.

While world stainless steel production registered a CAGR of 5% during the period 1962-2013, it was China which led the charge with a CAGR of 15%. The Indian stainless steel production registered a CAGR of around 8% during the same period.

I am also happy to announce that your company's overall sales saw an increase of 13% in this financial year. Volumes crossed the 1 million mt mark this year. Our strong sales push in hitherto less penetrated market segments like nuclear power, industrial, process industries, oil & gas and kitchenware segments in domestic market contributed significantly to this growth.

Global Stainless Steel scenario

The global crude Stainless Steel production during 2013 was 38.1 million ton over 2012 production of 35.4 million ton, registering a growth of 7.6%. Over the past five years Stainless Steel production has shifted from Western Economies to the Asian Economies with China accounting for almost 50% of the World's production today. This has been possible on account of numerous protection and subsidies offered by the Chinese Government to its stainless steel industry. As per Heinz H. Pariser's Metal & Markets research, during China's current five year plan (2011-15) Stainless steel production capacity is scheduled to be further extended to 30 million tonnes from current level of around 19 million tonnes.

Indian Stainless Steel Scenario

Today with a crude stainless steel production of 3 mmt, India ranks as the third largest producer and second largest consumer of Stainless Steel. The market for 2013-14 was at 2.5 mmt of which Flat products accounted for approx 2 mmt. With a low per capita consumption of 2.1 kg (as against the world average of ~5 kgs) there lies a huge potential for future growth. While, there is a scope for growth, slowdown in sectors such as Infrastructure, Railways, Seaports, Airports, Highways, and Bridges etc. have been major obstacles in growth of Stainless Steel. The problems have got compounded on account of humongous increase in imports coming in from China. Over the past 5 years imports from China have gone up by close to 700%. Apart from dumping activities, large scale circumvention of import duties is also rampant.

But, with new government promising to focus on growth of domestic manufacturing and on the infrastructure sector, we are hopeful that the demand for Stainless Steel should also get a boost.

Business Highlights (Standalone)

JSL's (Standalone) gross revenue for the financial year ended 31st March, 2014 at ₹12,942 crore as against ₹11,091 crore in fy 12-13, has been highest ever, a growth of 17% year-on-year, mainly due to increased volume of sales at the new plant at Jajpur. Exports sales surged to ₹3,482 crore from ₹3,220 crore in fy 12-13 with year-on-year growth of 8% and Domestic sales grew by 20% to ₹9,460 crore from ₹7,871 crore in fy 12-13.

Profit before depreciation, interest and taxes stood at ₹886 crore as against ₹615 crore in fy 12-13. Net profit/ (loss) stood at ₹(1390) crore as compared to ₹(821) crore mainly on account of Interest cost of ₹1235 crore in comparison to ₹990 crore in fy 12-13 and exceptional loss of ₹417 crore as compared to ₹167 crore in fy 12-13. The increase in Interest is mainly on account of conversion of some of the Foreign Currency borrowings into Rupee borrowings. This was an exceptionally challenging year for JSL on account of tough economic conditions both Indian and Global, steep and sharp depreciation of rupee against dollar and adverse industry dynamics. However, the company was able to achieve good progress in ramping up of Jajpur plant and achieve the highest ever sales and further expects to gain from this state of art plant in the years to come.

Way Forward

I take a lot of comfort from the knowledge that over the past three decades Stainless Steel has grown by 5.32% annually while most of the other metals (carbon steel, zinc, Aluminium etc) have grown by just 2.5% to 3%. True compared to some of the other metals, stainless steel is far younger in age and it is exactly on account of this that, the growth in stainless steel will continue to outpace other metals for a long time.

Your company has initiated strategic growth plans in both domestic and international markets and

has made investments towards capacity expansions through forward and backward integration. Ever since the onset of severe recessionary conditions internationally, it has become important to have thrust in the Domestic Market. We are therefore, focusing on improving our domestic market share further and have accordingly allocated 75% of our production for the domestic market and the remaining 25% is being exported to strategic markets.

Special drive has been organized in hitherto untapped segments like elevators, pumps, plumbing, sugar, rice and petrochemical industries etc.

- Development of new grades like 444, 445, 446 and/or special finishes by increasing capacities; improving upon technical know-how and/or adding necessary equipments is the firm's growth plan.
- Approvals and registration for the newly developed products/grades with domestic and international organizations is key focus area.

In order to introduce the benefits of stainless steel in more and more segments, parallel developmental activities for applications of stainless steels for products currently in other material / grades are being carried out. Thus, we feel will help in a big way to expand our markets.

Before, I conclude, I would like to take this opportunity to thank all our stakeholders who have given their support, trust and faith in us as lenders, investors, analysts and media.

I would also like to thank our employees, the management team, the directors on the board for their unwavering support during the challenging times.

I extend my sincere thanks to all our customers for their continued loyalty.

Ratan Jindal
Chairman & Managing Director

CONTENTS

Directors' Report.....	6
Corporate Governance Report.....	18
Management Discussion & Analysis Report.....	30
Independent Auditors' Report.....	34
Balance Sheet.....	38
Profit & Loss A/C.....	39
Cash Flow Statement.....	40
Notes to Financial Statements.....	42
Consolidated Financial Statements.....	76



REGISTERED OFFICE

O.P. Jindal Marg,
Hisar- 125 005 (Haryana) India
Phone: 01662 - 222471-83
Fax: 01662 - 220499
Email: info.hisar@jindalsteel.com
Email for investors:
investorcare@jindalstainless.com

CORPORATE OFFICE

JINDAL CENTRE
12, Bhikaiji Cama Place,
New Delhi - 110066, India
Phone : +91 - 011 - 26188345 - 60
Fax : +91 - 011 - 26170691, 26161271
Email : info@jindalsteel.com

MANUFACTURING FACILITIES

Hisar

O.P Jindal Marg,
Hisar - 125005 (Haryana), India
Phone: +91 - 01662 - 222471 - 83
Fax: +91 - 01662 - 220499
Email: info.hisar@jindalsteel.com

Kothavalasa

Jindal Nagar, Kothavalasa – 535 183
Dist. Vizianagaram (A.P.), India
Phone: 08966- 273327, 273254, 273335
Fax: 08966 -273326
Email: info.visakhapatnam@jindalsteel.com

Odisha

Kalinga Nagar Industrial Complex,
Duburi, Dist. Jajpur- 755 026,
Odisha, India
Phone: +91 - 6726 266031-33
Fax: +91 - 6726 - 266006
Email: info.jajpur@jindalsteel.com

Indonesia

Kawasan Industry Maspion, Maspion Unit-V
Desa Sukomylyo-Manyar, Gresik - 61151,
Surabaya Jawa Timur - Indonesia
Phone: +62 - 31 - 3959588, 3959565
Fax: +62 - 31 - 3959566
Email : info.indonesia@jindalsteel.com

For more info. log on to www.jindalstainless.com

Chairperson Emeritus

Savitri Jindal

Chairman & Managing Director

Ratan Jindal

Directors

Naveen Jindal

Suman Jyoti Khaitan

T.S. Bhattacharya

Girish Sharma

Gautam Kanjilal (Nominee Director)

Executive Director (Finance)

Jitender P. Verma

Executive Director

Rajinder Parkash Jindal

Company Secretary

Jitendra Kumar

Working Capital Bankers

Axis Bank

Bank of Baroda

Canara Bank

ICICI Bank

Punjab National Bank

State Bank of India

State Bank of Patiala

Standard Chartered Bank

Statutory Auditors

Messrs Lodha & Co.,
Chartered Accountants

Messrs S.S. Kothari Mehta & Co.,
Chartered Accountants

Cost Auditors

Messrs Ramanath Iyer & Co.,
Cost Accountants

Registered Office

O.P. Jindal Marg,
Hisar -125 005 (Haryana)

Works

Hisar (Haryana),
Kothavalasa (Andhra Pradesh) and
Jajpur (Odisha)

To
THE MEMBERS,

Your Directors have pleasure in presenting the 34th Annual Report on the business and operations of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2014.

Financial Results

Your Company's performance for the financial year ended 31st March, 2014 is stated below:

Particulars	(₹ In Crores)			
	Standalone		Consolidated	
	Year Ended 31.03.2014	Year Ended 31.03.2013	Year Ended 31.03.2014	Year Ended 31.03.2013
Revenue from operations (Gross)	12,972.73	11,121.88	13,875.94	12,128.47
Less: Excise Duty on sales	1,019.69	835.67	1,000.74	823.73
Revenue from Operations (Net)	11,953.04	10,286.21	12,875.20	11,304.74
Profit before other Income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortisation (EBIDTA)	885.66	614.97	1016.19	708.56
Add: Other Income	40.06	44.13	39.10	35.04
Less Finance Costs	1,234.70	990.29	1,295.13	1,043.44
Less: Depreciation / Amortisation	687.66	701.31	728.39	740.14
Profit /(Loss) Before Tax & Exceptional Items	(996.64)	(1,032.50)	(968.23)	(1,039.99)
Add: Exceptional Items – Gain/(Loss)	(416.90)	(166.96)	(418.74)	(183.99)
Profit/(Loss) Before Tax	(1,413.54)	(1,199.46)	(1,386.97)	(1,223.98)
Less: Tax Expenses	(23.45)	(378.64)	(20.67)	(381.94)
Net Profit /(loss) after Tax	(1390.09)	(820.82)	(1,366.30)	(842.04)
Share in Profit / (Loss) of Associate	-	-	(0.38)	(0.41)
Minority Interest	-	-	(1.56)	1.74
Net Profit / (Loss) (After Adjustment for Associate & Minority Interest)	(1,390.09)	(820.82)	(1368.24)	(840.71)
Add:				
Amount brought forward	-	618.69	-	530.87
Debenture Redemption Reserve written back	3.14	3.77	3.14	3.77
Amount available for Appropriation	(1,386.95)	(198.36)	(1,365.10)	(306.07)
Transfer to General Reserve	-	-	0.42	0.08
Less: Being deficit, Set off from General Reserve	430.21	(198.36)	320.92	(306.15)
Net surplus/(deficit) in statement of Profit & Loss	(956.74)	-	(1,044.60)	-

During the year, the Gross Revenue from operations of your Company on standalone basis has increased by 16.64% at ₹ 12,972.73 crore as compared to ₹ 11,121.88 crore during previous financial year 2012-13. The Profit before other income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortisation on standalone basis stood at ₹ 885.66 crore as compared to ₹ 614.97 crore during previous year.

Further, during the year, the Consolidated Gross Revenue from operations of your Company has increased by 14.41% at ₹ 13,875.94 crore as compared to ₹ 12,128.47 crore during previous financial year 2012-13. Consolidated Profit before other income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortisation stood at ₹ 1016.19 crore as compared to ₹ 708.56 crore during previous year.

- The financial results of the Company during the year 2013-14 have been adversely impacted inter alia on account of Continued dumping of stainless steel flat products in India and in particular the continued influx of cheap stainless steel from China.
- Continued build up of capacity in China despite the prevailing situation of excess production vis-à-vis local consumption and continued slowdown in local demand.
- Adverse Duty Structure for the Domestic Stainless Steel Industry, both in terms of import duty on raw materials as well as finished goods vis-à-vis other countries and in particular with reference to China.
- Increase in basic custom duty on import of Steel Scrap.
- Increase in raw material cost due to volatile currency.

Operations

(A) Hisar Division

Year 2013-14, shows a little recovery and stabilization, however, was a tough year for stainless steel industry on account of surplus capacities in other countries and dumping by China all around the world. JSL, Hisar Unit is able to achieve its highest ever dispatches of 673,254 MT in the year and crossed land mark achievement of 1.0 Million Ton Stainless steel dispatches from the organization. All the production facilities are aligned to serve value added products. The total steel melting shop production was approx. 7.20 Lac ton for the year.

The focus of the Company during the year for Hisar plant was on value added products and the Company achieved highest ever dispatches of 3370 MT coins and 9,004 MT finished Razor Blade Stainless strips of 0.10 mm or less thickness razor blade steel.

During the year Bright annealing facilities in CR complex has been modified & re-commissioned to cater white good sector market in ferritic grade providing unit to leverage its strength and convert to higher value added products in the coming years. Others finishing facilities like slitting and eye wrapping line in SPD has been installed to cater rising market.

(B) Odisha Division

Despite slowdown in global economy the performance of Jajpur, Odisha improved substantially as compared to last year. During the year under review Steel Melting Shop produced 4,13,863 MT as compared to 3,13,258 MT, Hot Strip Mill produced 4,00,947 MT against 3,00,435 MT, Plate Finishing Shop produced 35,634 MT against 25,169 MT and facilities in CRM produced 3,32,535 MT against 2,54,597 MT produced last year.

The stainless steel facilities at Odisha have substantially enhanced the product portfolio of the company including wider width products of up to 1650 mm. Our products were approved by many reputed organisations like IGCAR and BHEL, Trichy for 300 series and YAMAHA Motors India for 409L grade.

Jajpur unit received accreditations like Construction Product Regulations (CPR) and Pressure Equipment Directives (PED) Certifications thereby enabling our products to sell in the European market for Construction and Pressure applications.

The production at Ferro Alloys during the year was 1,35,678 MT against 83,290 MT produced last year which is 63% more as compared to last year. In spite of challenges in procuring chromite ore from domestic sources at cost effective prices, we could achieve the production by consuming concentrated ore and high usage of imported hard lumpy ore.

Both the power plants (2X125MW) generated power 1,190.925 million units (net) as compared to 1,089.53 million units (net) in the last year. Out of the total generation 88.828 million units were exported to Hisar plant and 22.92 million units sold through exchange. The Cokeoven facility was operated under lease till Oct, 2013. Total coke produced were 2,17,193 MT.

Jindal Chromite Mine produced 28055 MT of chrome concentrate from its beneficiation plant. The mine has reached the ultimate pit bottom so far as the friable ore is concerned and there has been no friable ore production during the year. However, lumpy chrome ore production from the mines was 64086 MT. The mine dispatched 39471 MT of chrome concentrate and 50237 MT of chrome ore to our Vizag Plant during the year.

(C) Vizag Division

The Vizag Plant produces High Carbon Ferro Chrome with annual capacity of 40,000 Tons per annum. Vizag Unit uses Chrome Ore supplied from captive Jindal Chromite Mine and Transfers the output to the Hisar Plant. The division has achieved 77% of the Installed capacity by producing 30,648 Tons of High Carbon Ferro Chrome during the year 2013-14 as compared to 20,169 Tons during the preceding year. The Production is less during the year 2013-14 due to Power restrictions/holiday being imposed by the APEPDCL time to time during 2013-14.

Further Vizag Unit dispatched 28,137 tons (including of 19,900 for Job Work A/c) to JSL-Hisar during the year 2013-14 as compared to 21,069 tons Job Work A/c during the preceding year. The Job work A/c production was stopped w.e.f. 21.11.2013

Debt Restructuring

Pursuant to the Reworked Corporate Debt Restructuring Scheme approved by CDR EG and Rework Letter of Approval ("Rework LOA") issued on September 18, 2012, the approved Reworked CDR package has been implemented by all CDR lenders and the Company had executed all the necessary documents.

During the year under report, the Company had arranged execution of corporate guarantee of 13 promoter group companies (out of total 30 promoter group companies) and is in discussions with the remaining promoter group companies for resolution of pending issues related to collateral security.

Restructuring / Reorganisation of the Company

The Board of Directors has constituted a 'Reorganization Committee' to explore and evaluate various options of reorganizing the Company's assets in an optimal way. The said Committee is empowered to work upon, determine and decide upon the relevant suitable structure.

Share Capital

During the year, the Company has received conversion notice for entire remaining 300 FCCBs amounting to USD 1.50 million and subsequently the company has allotted 547,458 fully paid equity shares.

During the quarter ended 31st March, 2014, the Company has raised ₹ 100,00,00,566, by way of issue and allotment of 1,07,50,000 equity shares of ₹ 2/- each and 1,58,10,440 Cumulative Compulsory Convertible Preference Shares (CCCPS) of face value of ₹ 2/- each at a price of ₹ 37.65 per equity share /CCCPS (including a premium of ₹ 35.65 per equity share/ CCCPS) in accordance with SEBI (ICDR) Regulations, 2009 to JSL Overseas Limited, a member of promoter group, on preferential basis.

Consequently, the paid-up share capital of the Company has increased from ₹ 40,81,55,094 to ₹ 46,23,70,890 divided into 215,375,005 equity shares of ₹ 2/- each and 1,58,10,440 Cumulative Compulsory Convertible Preference Shares (CCCPS) of ₹ 2/- each.

Dividend

The Board, considering the Company's performance and financial position for the year under review, has not recommended any dividend on equity shares of the Company for the year ended 31st March, 2014.

Transfer to Investor Education and Protection Fund

Pursuant to section 205C of the Companies Act, 1956, the Company has transferred unclaimed and unpaid amounts aggregating to ₹ 27,19,400 to Investor Education and Protection Fund of Government of India during the year 2013-14.

Employees Stock Option Scheme

During the year under review, 4,26,024 stock options were vested in eligible employees. The disclosure, under Clause 12 of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is set out in Annexure to this Report.

Information Technology

During the year, the Company's IT & SAP department has stabilized the SAP ECC 6.0 environment and has established a delivery team and mechanism for the Business Support. This Support Mechanism on SAP has enabled and empowered the Business users in continuing to conduct real-time transactions and analysis, across the locations on a single platform. It is the endeavour of the SAP team to further enhance the capabilities of the JSL SAP platform for a delightful Business User experience. The IT team of the company has also been successful in providing secure and non-disruptive IT (Hardware, Network, Software) services to your company throughout the year. Many initiatives like Exchange Migrations, Multi-platform mobile solutions, Barcoding and Management Analytics, etc have been planned & delivered.

The IT & SAP department plan to rollout further Business Enhanced support & solutions to your company in the coming year as well.

Subsidiary Companies

As on 31st March, 2014, your Company has 17 direct and step down subsidiaries, namely (i) Jindal Stainless UK Limited; (ii) Jindal Stainless FZE, Dubai; (iii) PT Jindal Stainless Indonesia; (iv) Jindal Stainless Italy S.r.l.; (v) Jindal Stainless Madencilik Sanayi VE Ticaret A.S., Turkey (vi) Jindal Stainless Steelway Limited; (vii) JSL Lifestyle Limited; (viii) JSL Architecture Limited; (ix) Green Delhi BQS Limited; (x) JSL Media Limited; (xi) JSL Group Holdings Pte. Ltd., Singapore; (xii) JSL Ventures

Pte. Ltd., Singapore; (xiii) JSL Europe S.A., Switzerland; (xiv) JSL Minerals & Metals S.A., Switzerland; (xv) Jindal Aceros Inoxidables S. L., Spain; (xvi) JSL Logistics Limited; and (xvii) Iberjindal S.L., Spain.

Pursuant to the general circular No. 51/12/2007-CL-III dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India, the balance sheet, profit and loss account and other documents of the subsidiary companies are not attached with the balance sheet of your Company. The annual accounts and other related documents of the subsidiaries are available at the website of the Company and will be made available to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will be kept open for inspection by any shareholder at the registered office of the Company during normal business hours. The consolidated financial statements of the Company include the financial results of all the subsidiary companies.

The members, if they desire, may write to Company Secretary at O.P. Jindal Marg, Hisar – 125005 (Haryana) to obtain the copy of the annual report of the subsidiary companies.

Directors

The Board of Directors has appointed Mr. Rajinder Parkash Jindal as an additional director and designated him as Executive Director with effect from 6th January, 2014. The Board of Directors has also appointed Mr. Girish Sharma as an additional director with effect from 29th May, 2014. The Board has also approved appointment and terms of remuneration of Mr. Rajinder Parkash Jindal as Whole Time Director of the Company, subject to the approval of the Shareholders. The said appointment and remuneration of Mr. Rajinder Parkash Jindal and appointment of Mr. Girish Sharma will be placed before the shareholder for their approval.

Smt. Savitri Jindal, Chairperson has resigned from the Board of Directors with effect from 28th October, 2013. The Board has conferred upon her the title of "Chairperson Emeritus" with effect from 28th October, 2013 and she will continue to provide her guidance on future endeavors of the Company.

Mr. Uday Kumar Chaturvedi, Mr. Rajeev Bakshi and Mr. James Alistair Kirkland Cochrane resigned from the Board of Directors of the Company w.e.f. 31st December, 2013, 20th February, 2014 and 24th February, 2014 respectively. The Board places on record its sincere appreciation for the valuable contributions made by them during their tenure.

Mr. Naveen Jindal and Mr. Jitender P. Verma, who retires by rotation at the ensuing Annual General Meeting under the erstwhile provisions of the Companies Act, 1956 and being eligible offer themselves for reappointment.

Brief resume of the abovementioned Directors, nature of their expertise in specific functional areas, details of Directorship in other companies and the membership/ chairmanship of committees of the board, as stipulated under Clause 49 of the listing agreement with the stock exchanges, are given in the Notice forming part of the annual report.

Fixed Deposits

The Company has accepted/renewed deposits amounting to ₹ 13,69,70,000 during the year under review. There were no overdue deposits on 31st March, 2014, except ₹ 1,04,76,000 which remain unclaimed. The Company has stopped accepting / renewing any fresh deposits with effect from 1st April, 2014.

Particulars Regarding the Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The Information relating to energy conservation, technology absorption, foreign exchange earnings and outgo required to be disclosed under The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure-1 forming part of this report.

Particulars of Employees

As required by the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the report and accounts are being sent to all the Shareholders of the Company excluding the aforesaid information. Any Shareholder interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

Auditors and Auditors' Report

M/s. Lodha & Co. and M/s. S.S. Kothari Mehta & Co., joint statutory auditors of the Company, hold office until the conclusion of the ensuing annual general meeting and are eligible for re-appointment. The Company has received letters from them with their willingness to continue as auditors of the Company, if appointed and have confirmed that the said appointment, if made, would be within the limits prescribed under the Companies Act, 2013 and that they are not disqualified for re-appointment.

In terms of Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s. Lodha & Co. and M/s. S.S. Kothari Mehta & Co. having held office as Joint Statutory Auditors and M/s. N.C. Aggarwal & Co. having held office of Branch Auditors of Vizag division for a period of more than 10 years prior to the commencement of the Companies Act, 2013, are eligible to be appointed as Auditors for a period of only three more years, that is until the conclusion of 37th Annual General Meeting of the Company.

The notes to the accounts referred to in the auditors' report are self-explanatory and, therefore, do not call for any further comments.

Cost Auditors

In accordance with the Order dated 30th June, 2011 issued by the Ministry of Corporate Affairs pursuant to Section 233B of the Companies Act, 1956, your Company is required to get its cost accounting records audited by a Cost Auditor and has accordingly appointed M/s. Ramanath Iyer & Co., Cost Accountants, for this purpose for FY 2013-14. The Cost Audit for FY 2012-13 was completed within specified time and report was filed with the Central Government.

The Board of Directors at its meeting held on 29th May, 2014 has on the recommendation of the Audit Committee, re-appointed M/s. Ramanath Iyer & Co., Cost Accountants for conducting the audit of cost audit records in respect of Steel business of the Company for the financial year 2014-15. The said appointment is subject to ratification of the members in terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

Directors' Responsibility Statement

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to directors' responsibility statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (d) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Corporate Governance

A separate section on corporate governance and a certificate from the practicing company secretary regarding compliance of conditions of corporate governance as stipulated under clause 49 of the listing agreement with the stock exchanges, forms part of the annual report.

Management Discussion and Analysis Report

Management discussion and analysis report as required under the listing agreements with the stock exchanges is enclosed with this report.

Acknowledgement

Your Directors would like to express their gratitude for the valuable assistance and co-operation received from shareholders, banks, government authorities, customers and vendors. Your Directors also wish to place on record their appreciation for the committed services of all the employees of the Company.

For and on behalf of the Board of Directors

Ratan Jindal
Chairman and Managing Director

Place: New Delhi

Date : 29th May, 2014

Statement pursuant to Clause 12 of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

Sr. No.	Description	Remarks
A	Options granted	: During the year 2013-2014, no stock options were granted by the Company. 6,62,763 stock options lapsed due to resignation, retirement and low vesting due to performance rating during the year. No vested options were exercised by employees during the year. As on 31st March, 2014, 16,08,881 stock options were in force.
B	Pricing formula	: The options will be granted at either of the following exercise prices as decided by the Compensation Committee: 1) At a price upto maximum of 75% discount to the average of the closing market price (at a stock exchange as determined by the Compensation Committee) in the 30 trading days immediately preceding the date of grant of options 2) At a price equal to the market price, being latest available closing price, prior to the date of the meeting of the Board of Directors in which options are granted/ shares are issued, on the stock exchange on which the shares of the company are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered; or 3) At a price equal to the average of the closing market price (at a stock exchange as determined by the Compensation Committee) in the 30 trading days immediately preceding the date of grant.
C	Option vested	: 4,26,024
D	Options exercised	: Nil
E	Total number of Ordinary Shares arising as a result of exercise of Options	: Nil
F	Options lapsed	: 6,62,763
G	Variation of terms of Options	: Nil
H	Money realized by exercise of Options	: Nil
I	Total number of Options in force	: 16,08,881
J	Details of Options granted to	:
	i) Senior managerial personnel	: N.A.
	ii) Any other employees who received a grant in any one year of Options amounting to 5% or more of the Options granted during that year.	: N.A.
	iii) Identified employees who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	: N.A.
K	Diluted Earnings per Share (EPS) pursuant to issue of Ordinary Shares on Exercise of Options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share.'	: ₹ (68.03)
L	i) Method of calculation of employee compensation cost	: The Company has calculated the employee compensation cost using the intrinsic value method of accounting to account for stock based compensation cost as per intrinsic value method for the financial year 2013-14

Sr. No.	Description	Remarks
	ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the Options.	: ₹1.55 Crore
	iii) The impact of this difference on Profits and on EPS of the Company.	: The effect of adopting the fair value method on the net income and earnings per share is presented below:
		(₹ in Crore)
		Net Income, as reported (1,390.09)
		Add: Intrinsic Value Compensation Cost (0.59)
		Less: Fair value Compensation Cost (Black Scholes Model) 0.96
		Adjusted Net Income (1,389.72)
		Earning per share Basic (₹) Diluted (₹)
		As reported (68.03) (67.91)
		As adjusted (68.02) (67.89)
M	Weighted average exercise price and weighted average fair value of Options granted for Options whose exercise price either equals or exceeds or is less than the market price of the stock.	: Options granted whose exercise price is less than the market price of the stock (adjusted for stock split): Weighted average Exercise Price N. A. Weighted average fair value N. A.
N	A description of the method and significant assumption used during the year to estimate the fair values of Options	: The fair value of each options estimated using the Black Scholes Options Pricing Model after applying the following key assumptions i) Risk free interest rate N. A. ii) Expected life N. A. iii) Expected volatility N. A. iv) Expected dividend N. A. v) The price of the underlying shares in market at the time of option grant N. A.

ANNEXURE I

Particulars required under the companies (Disclosure of particulars in the report of board of directors) rules, 1988.

HISAR

a) Conservation of energy

Energy Conservation measures taken:-

- Audit of thermal and auxiliary equipments & harmonic study.
- Installed higher efficiency pumps with VVVF Drives in Steel Melting shop.
- Installed reactors & capacitors at 11kv to improve power factor.
- Improved combustion efficiency in Annealing furnaces and bell annealing furnaces.
- Energy consumption in air / N cum by 8% through optimization of air lines & compressors.

b) Additional investment and proposals, if any being implemented for reduction in consumption of energy.

- Laying of N2 line from O2 plant to Cracked NH3 manufacturing plant saved compressor energy.
- New high efficiency pumps and VVVF Drives.

c) Impact of above measures

- Improved power factor.
- Reduced energy consumption per ton of steel.

ODISHA

a) Conservation of energy

Energy Conservation measures taken:-

1. Hot Strip Mill Energy Conservation

- (a) Modification in Descaling Water System with replacement of nozzles supporting less water flow and more impact leading to reduction in Motor Power Consumption during Operation.
- (b) Work Roll Cooling modified with reduced Motor operation from 03 to 02 Nos.; achieved through impeller trimming and improving pump efficiency.
- (c) Reduced Motor Power Consumption in Laminar Cooling Water System by lowering the motor power rating as satisfactory to meet requirement.

2. Cold Rolling Mill Energy Conservation

- (a) Improvement in Operation Practices through 41 Energy Saving Projects
- (b) Installation of Reactive Power Compensation devices and improvement in Power Factor and Reduction in Power Demand.

3. Captive Power Plant Energy Conservation

- (a) Impeller Trimming for Cooling Water Pump (02 No) as satisfactory to meet requirement.
- (b) Modification in Compressed Air line, Impeller trimming leading to operation of 02 Compressor instead of 03.

4. Ferro Alloy Plant Energy Conservation

- (a) Reduction in Power Rating of Root Blowers, Jacket Cooling Pump and Compressors as sufficient to meet the requirement.
- (b) Efficient Utilisation of Furnace Oil & Waste Oil in Briquetting Plant; Optimisation of Use of Dryer, limiting 4.8-5 kg of Oil Consumption per MT of Gross Briquette Production
- (c) Increase in Capacity Utilisation of Ferro Alloy Furnaces resulting into reduction in Auxiliary Consumption.

FORM – “A”

FORM FOR DISCLOSURE OF PARTICULARS TO CONSERVATION OF ENERGY (Excluding Ferro Alloys Division being not covered)

S.N. PARTICULARS	TOTAL 2013-2014	TOTAL 2012-2013
A. POWER AND FUEL CONSUMPTION		
1 ELECTRICITY		
(a) Purchased		
Units (in '000 Kwh)*	7,93,979.16	7,76,966.00
Total Amount (₹ In Lacs)	35,827.12	38,461.23
Rate/Unit (₹)	4.51	4.95
* Net of exports to HSEB		
(b) Own Generation		
(i) Through diesel generator		
Units (in '000 Kwh)#	573.88	5,799.67
Unit per Litre of Oil	4.66	3.66
Cost/Unit (₹)	248.05	45.96
# Excluding diesel generator auxiliary consumption		
(ii) Through Thermal Coal		
Units (in '000 Kwh)	12,26,093.02	12,66,554.00
Unit per Litre of Oil	1.05	1.19
Cost/Unit (₹)	3.51	5.11

S.N. PARTICULARS	TOTAL 2013-2014	TOTAL 2012-2013
2 FUEL OILS (FO,FOLV, LDO,HSD)		
Total Quantity (Kilo Litre)*	25,908.53	41,154.28
Total Cost (₹ In Lacs)	12,338.65	17,180.77
Average Rate/litre (₹)	47.62	41.75
* including fuel used for Power generation		
3 COAL/COKE		
Quantity (MT)	1,170,014.18	10,69,382.74
Total Cost (₹ In Lacs)	34,624.66	34,278.04
Average Rate/Kg. (₹)	2.96	3.21
4 GASES (PROPANE)		
Quantity (MT)	63,526.87	46,834.10
Total Cost (₹ In Lacs)	40,750.08	28,952.10
Average Rate/Kg. (₹)	64.15	61.82
5 GASES (AMMONIA)		
Quantity (MT)	1,486.91	1,527.96
Total Cost (₹ In Lacs)	583.89	605.77
Average Rate/Kg. (₹)	39.27	39.65
B. CONSUMPTION PER UNIT OF PRODUCTION		
1 ELECTRICITY		
- for Alloy Steel Melting (unit/ton)	532.88	558.60
- for Gas Manufacturing (unit/cum)	0.78	0.70
- for Cold Rolled Stainless Steel Manufacturing (unit/ton)	321.98	325.46
- for Blade Steel Manufacturing (unit/ton)	1,651.93	1,668.26
- for Fe Alloy Manufacturing (unit/ton)	3,814.91	3,922.47
2 FUEL OILS		
- for Alloy Steel Melting (litre/ton)	2.86	3.20
- for Cold Rolled Stainless Steel Manufacturing (litre/ton)	9.11	9.98
- for Blade Steel Manufacturing (litre/ton)	22.66	31.91
- for Fe Alloy Manufacturing (litre/ton)	13.08	10.80
- for Power Generation (litre/kwh)	Nil	Nil
3 COAL		
- for Alloy Steel Melting (MT/ton)	0.00	0.01
- for Sponge Iron Manufacturing (MT/ton)	NIL	0.14
- for Power Generation (Kg/kwh)	0.95	0.84
4 GASES (PROPANE)		
- for Alloy Steel Melting (Kg/ton)	2.93	3.05
- for Cold Rolled Stainless Steel Manufacturing (Unit/ton)	45.22	54.79
- for Blade Steel Manufacturing (Unit/ton)	47.15	42.50
- for Fe Alloy Manufacturing (litre/ton)	NIL	NIL
5 GASES (AMMONIA)		
- for Blade Steel Manufacturing (Unit/ton)	24.77	24.89
- for Cold Rolled Stainless Steel Manufacturing (Kg/ton)	1.54	1.92

FORM – “B”**FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION****1) Specific areas in which, the company carried out Research & Development****Development of new products:**

- Development of austenitic stainless steel EQ309L with high ferrite content for use in weld overlay applications.
- Development of heat resistant austenitic stainless steel UNS S30815 micro-alloyed with rare-earth cerium.
- Development of highly corrosion resistant super-austenitic stainless steel – 904L
- Development of new austenitic grades for high temperature applications – 304H and 347H
- Development of Clad Stainless Steel plates in 350 mm width.
- Development of high thickness plates of 441 grade for gasket application.

Process Improvement:

- Successfully produced hot-rolled duplex stainless steel UNS S32205 down to 5 mm thickness.
- Complete elimination of bow in duplex plates after plate annealing by suitably modifying processing during annealing and quenching of plates.

Cost Reduction:

- Suitable use of AOD dust, rolling mill scale and grinding dust in EAF for conservation of metallic elements and resources.
- Modification of chemistry and process parameters of 309S and 316Ti grades to reduce cost.
- Improvement in grinding practice of ferritic stainless steel grades leading to cost saving.

2) Benefits derived:

- More value added products in JSL basket
- Cost reduction through different initiatives
- Improvement of product quality for customised applications
- More supply of materials to auto component manufacturers.

3) Future plan of action

- Improvement in yield through modification of grinding practice
- Energy conservation by warm charging of slabs
- Development of value added products
- Input cost reduction by optimizing addition of fluxes, deoxidisers and scraps.

4) Expenditure on R & D

	2013-14	(₹ in Lacs) 2012-13
a) Capital	Nil	Nil
b) Revenue	64.63	113.46
Total	64.63	113.46
c) Total R&D expenditure as a percentage of turnover	0.005%	0.010%

5) Technology absorption, adaptation and innovation**HISAR DIVISION****I. Efforts made, in brief, towards technological absorption, adaptation and innovation****- Adding Wider Width Bright Annealed Products from Hisar Cold Rolling Complex:**

There is an increased Demand of Bright Annealed CR Products from White Goods and Home Appliances Industry. The Indian Markets of such Products have matured and demand for such Products from Stainless Steel is getting stronger by the Day. To cater to this demand Hisar Cold Rolling has re-installed its Wider BA Equipment by carrying out major Capital modifications. The Product has got wide acceptance from the Markets and has got developed as a regular Product from Hisar.

- **New ERP System Integration (SAP) of all the functional units:**

During the year, the company's has migrated to new SAP ECC 6.0 environment and has fully stabilized the same. This has enabled and empowered the Business users in continuing to conduct real-time transactions and analysis, across the locations on a single platform. This means that the Users across multi Plant & Marketing Network including Stock Points now have seamless connectivity through a common server. The new System has not only enabled seamless Business Transactions it has also provided more visibility, efficient data management across the Organization.

- **Development of new products to strengthen Hollow -ware Segment:**

To further strengthen presence in 1.0Million Ton SS Hollow-ware Market of Stainless Steel in India lower Thickness CR material in more Grades of Stainless Steel were further developed during the Year. The Market is now catered with various Grades of Stainless Steel depending upon the Product Manufacturing Cycle i.e. through Spinning, Drawing etc. Availability of 430 Grade Stainless Steel is also enhanced to cater to strong demand of Hollow-wares of these Grades from Overseas Markets.

- **Development and Stabilization of High End Duplex and Super Austenitic Grades:**

The initial journey for development and stabilization of Duplex and Super Austenitic Grades has yielded a worldwide response and is now Jindal Stainless moved to more complex Grades. During the period Grades such as UNS 30815, UNS32750 and AISI904L have been introduced. These Grades goes into manufacturing Components for new generation Heat Exchangers for Critical and Super Critical Power Plants. Needless to add that only 1-2 Organizations have capability to manufacture such Grades.

II. Benefits derived as a result of the above efforts:

- Better data management eventuated in transparency and ready review of situation excelling prompt decision making and quick change management responsiveness.
- Increased Foothold in fast Growing Market segments of White-Goods & Hollow-wares in India.
- Enhancing Jindal Stainless Image as a versatile Producer of Stainless Steel with a wide range of Products spanning SS for House-hold usage to Nuclear, Super Critical Thermal Power, Petrochemical, Railways & Metros to Automobile Industry. More than 100 Grades and Variants of Stainless Steel are in Manufacture at Jindal Stainless Hisar.

ODISHA DIVISION

Technology absorption, adaption and innovation

A. Cold Rolling Mill

I. Efforts made, in brief, towards technological absorption, adaptation and innovation:

CRM Complex is a contemporary manufacturing facility incorporating the very latest technology in cold rolling and finishing of the entire range of stainless steel flat products. The facility boasts of India's only DRAP (Direct Rolling & Annealing Pickling) lines capable of highest standards in product quality. Today, the technology has been grasped resulting in greater capacity utilisation of both DRAP lines (HAPL & CAPL) and the multiple finishing lines (Slitters, Cut-to-length, and SPM). A lean process route coupled with focus on evolving indigenous equipments ensures unmatched cost effectiveness and a safe working environment.

II. Benefits derived as a result of the above efforts:

In contrast to prevailing SS production facilities, CRM Complex consolidates its technological superiority with a more advanced cold-rolling and annealing-pickling process with higher productivity & yield with reduced carbon foot-print & energy consumption. The apparent cost advantage ensures operating cost is competitive. A robust Integrated Management System (QMS, EMS & OHSAS) safeguards both process and product standards.

B. Steel Melting Shop

I. Efforts made, in brief, towards technological absorption, adaption and innovation

The ultra-modern 1MTPA plant has state of art facilities to cater highest quality requirements. Current year saw fine tuning of all process parameters to get cost grip on below par running. Parameters were set for increased productivity at EAF and AOD whereas quality of cast slabs in terms of "as cast for generic grades and capability build-up for nice clientele viz. ATOMIC ENERGY applications were done. Clean steel for such customers were catered which is only of kind in India. EMS and online process parameter corrections facilities at caster saw penetration in FERRITIC market. With state of art facilities the deliverables are not just clean steel, the shop boasts of highest order of environment norm compliances. Sourcing highest quality of raw material from all over the world to have edge over product quality and conversion cost.

II. Benefits derived as a result of the above efforts.

The steel melt shop progressively achieved the desired results in terms of quality and cost by using in-house gas instead of Propane & HSD thus minimizing cost, Increase of EAF campaign life, Converter life, ladle life, Conversion cost reduction at competitive level. We've standardized the product quality at caster and reduced defects in subsequent applications at mills leading to higher penetration in niche segments (ferritic and atomic energy usages 300 series). Reduced metallic loss in slag has led to improved Cr recovery, Mn recovery and metallic yield.

C. Hot Strip Mill

I. Efforts made, in brief, towards technological absorption, adaption and innovation

Maximizing use of coke oven gas as a fuel in reheating furnace, to replace Propane. Tuning of Level 2 automation software to produce stainless steel hot strips of improved quality. Optimization of process water requirement for processes such as Roll cooling, High pressure water descaling, laminar cooling to reduce power consumption. Process standardization was done to produce high quality Stainless steel plates.

II. Benefits derived as a result of the above efforts.

By maximizing use of coke oven gas as fuel in RHF, significant savings in Propane consumption was achieved. Quality of hot rolled strip was further improved to compare with best in the world by fine tuning, Level 2 automation software of Mill. Significant power savings were achieved by optimising the process water parameters. High quality Stainless steel plates are being produced, suitable for high end applications such as Nuclear, Petrochemical, Refinery, Cryogenic requirements

6) Foreign Exchange Earnings & Outgo

a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans

Company products gained acceptance worldwide and more so in matures market like Europe and America.

Financial year 2013-14 was the year when JSL got approval with several major EPC contractors in Middle East and Africa. In the history of JSL, the first Export order worth 5 million USD in oil and gas sector was bagged from one of the most prestigious company in Middle East. The order was also successfully executed in record time. In late FY13-14, the company also started to focus on high value products in Heat resistant, Duplex and Super austenitic stainless steel. Although, this initiative has started showing relatively good sign of success; the major ones are yet to come. With the Jaipur plant moving towards the higher efficiency levels; we see a ray of light for the ferritic grade finding its space in OEM business especially in Automotive and White goods segment.

The Odisha Product; especially Quatro Plate was a grand success in Europe and North America and the sale of Plate grew by 30% on YoY basis.

b) Foreign Exchange Earnings

	(₹ in Crore)
Foreign Exchange Earnings	4,861.88
Foreign Exchange Outgo	3,361.34

Your Company recognizes communication as a key element of the overall corporate governance framework and therefore, emphasizes on seamless and efficient flow of relevant communication to all external constituencies. Your Company follows the principles of fair representation and full disclosure in all its dealings and communications. The Company's annual reports, results presentations and other forms of corporate and financial communications provide extensive details and convey important information on a timely basis. Your Company has fully complied with all mandatory requirements of corporate governance in all material aspects. A report on corporate governance as per listing agreement is given below:

1. Company's philosophy on the code of corporate governance:

Your Company's philosophy on corporate governance envisages the alignment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, government and lenders. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders value, over a sustained period of time.

2. Board of Directors:

(i) Composition of Board

The Board of Directors presently consists of eight directors as detailed hereunder indicating their status as independent or otherwise against their respective names:

Executive Directors		
Name of Director	Designation	Status
Mr. Ratan Jindal*	Chairman & Managing Director	Promoter
Mr. Jitender P. Verma	Executive Director (Finance)	Non-Independent
Mr. Rajinder Parkash Jindal#	Executive Director	Non-Independent
Mr. Ramesh R. Nair**	President & Executive Director	Non-Independent
Mr. Subash Singh Virdi**	Executive Director & Chief Operating Officer	Non-Independent
Mr. Uday Kumar Chaturvedi* *	Chief Executive Officer	Non-Independent
Non Executive Directors		
Mr. Naveen Jindal	Director	Promoter
Mr. Suman Jyoti Khaitan	Director	Independent
Mr. T.S. Bhattacharya	Director	Independent
Mr. Gautam Kanjilal	Nominee Director (SBI)	Non-Independent
Mr. Girish Sharma #	Director	Non-Independent
Smt. Savitri Jindal **	Chairperson	Promoter
Mr. Rajeev Bakshi**	Director	Independent
Mr. James Alistair Kirkland Cochrane**	Director	Independent

* Mr. Ratan Jindal has been re-designated as Chairman and Managing Director w.e.f. 28th October, 2013.

** Mr. Ramesh R. Nair, Mr. Subash Singh Virdi, Mr. Uday Kumar Chaturvedi, Smt. Savitri Jindal, Mr. Rajeev Bakshi and Mr. James Alistair Kirkland Cochrane ceased to be Directors w.e.f. 2nd April 2013, 27th May, 2013, 31st December, 2013, 28th October, 2013, 20th February, 2014 and 24th February, 2014 respectively.

Mr. Rajinder Parkash Jindal has been appointed as an Additional Director and designated as Executive Director w.e.f. 6th January, 2014. Mr. Girish Sharma has been appointed as an Additional Director w.e.f. 29th May, 2014.

(ii) Board Meetings

During the financial year 2013-14, five Board meetings were held on 27th May, 2013, 12th August, 2013, 22nd August, 2013, 28th October, 2013 and 10th February, 2014. The maximum time gap between any two meetings did not exceed four months.

(iii) Attendance of Directors, other Directorships and other details

Attendance of Directors at the Board Meetings, last Annual General Meeting and number of Directorships and Chairmanships / Memberships of Committee(s) in other companies are given below:

Name of the Director	No. of Board Meetings attended	Attendance at last AGM	No. of Directorships held in other public companies \$	No. of Memberships (M) / Chairmanships (C) in other Board Committee(s) @
Mr. Ratan Jindal	5	No	7	Nil
Mr. Naveen Jindal	1	No	6	Nil
Mr. Jitender P. Verma	5	Yes	3	2 (C), 1 (M)
Mr. Rajinder Parkash Jindal #	1	N.A.	3	1 (C), 1 (M)
Mr. Suman Jyoti Khaitan	4	No	6	4 (M)
Mr. T.S. Bhattacharya	4	No	8	1 (C), 1 (M)
Mr. Gautam Kanjilal	5	Yes	1	1 (C)
Mr. Girish Sharma#	-	N.A.	2	2 (M)
Mr. Ramesh R. Nair **	N.A.	N.A.	**	**
Mr. Subash Singh Viridi **	-	N.A.	**	**
Mr. Uday Kumar Chaturvedi **	3	No	**	**
Smt. Savitri Jindal **	1	No	**	**
Mr. Rajeev Bakshi**	3	No	**	**
Mr. James Alistair Kirkland Cochrane**	1	No	**	**

** Mr. Ramesh R. Nair, Mr. Subash Singh Viridi, Mr. Uday Kumar Chaturvedi, Smt. Savitri Jindal, Mr. Rajeev Bakshi and Mr. James Alistair Kirkland Cochrane ceased to be Directors w.e.f. 2nd April 2013, 27th May, 2013, 31st December, 2013, 28th October, 2013, 20th February, 2014 and 24th February, 2014 respectively.

Mr. Rajinder Parkash Jindal has been appointed as an Additional Director and designated as Executive Director w.e.f. 6th January, 2014. Mr. Girish Sharma has been appointed as an Additional Director w.e.f. 29th May, 2014.

N.A. Not Applicable

\$ Directorships do not include alternate directorships, and directorships in foreign companies, companies registered under section 25 of the Companies Act, 1956 and private companies.

@ Only covers Memberships/Chairmanships of Audit Committee and Shareholders/Investors Grievance Committee.

None of the Directors on the Board is a Director in more than 15 companies (as specified in Section 275 of the Companies Act, 1956) and Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement) across all the public companies in which he is a Director.

Board Meetings, its Committee Meetings and Procedures thereof:**A. Scheduling and selection of agenda items for Board Meetings**

- (i) The Company holds minimum four Board Meetings every year. Apart from the four Board Meetings, additional Board Meetings are also convened as and when required to address the specific needs of the Company by giving appropriate notice to the Directors. The Board also approves permitted urgent matters by passing the resolutions through circulation.
- (ii) The meetings are usually held at the Company's corporate office at New Delhi.
- (iii) All divisions/departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion/approval/decision in the Board/Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board meetings.
- (iv) The Board is given presentations on finance, sales and marketing, and the major business segments and operations of the Company, while considering the results of the Company at each of the pre-scheduled Board meeting.
- (v) The Chairman & Managing Director / Whole Time Directors and the Company Secretary in consultation with other concerned persons in the top management, finalize the agenda papers for the Board meetings.

B. Board material distributed in advance

- (i) Agenda papers are circulated to the Directors, in advance, in the defined agenda format. All material information is incorporated in the agenda papers for facilitating meaningful, informed and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is placed on the table at the meeting with specific reference to this effect in the agenda.
- (ii) With the permission of Chairman of the meeting, additional or supplementary item(s) in the agenda are permitted. Sensitive subject matters may be discussed at the meeting without written material being circulated in advance for the meeting.

C. Recording minutes of proceedings at Board meeting

The Company Secretary records the minutes of the proceedings of each Board and Committee Meetings. The minutes of the proceedings of a meeting are entered in the minutes book within thirty days from the conclusion of the meeting and signed by the Chairman of the next Board/ Committee Meeting.

D. Post meeting follow up mechanism

There is an effective post meeting follow-up, review and reporting process for the action taken on decisions of the Board and Committees.

E. Compliance

The Company Secretary while preparing the agenda, notes on agenda, minutes etc. of the meeting(s) and holding and conducting the meetings is responsible for and is required to ensure adherence to material provisions of all applicable laws. Certificates relating to compliance of important provisions of law are placed in every Board Meeting.

3. Audit Committee**Terms of Reference:**

The "Terms of Reference" of the Audit Committee are in conformity with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges, as on 31st March, 2014.

The "Terms of Reference" of the Audit Committee have since been revised by the Board of Directors at its meeting held on 29th May, 2014, in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges (Clause 49 has been amended by SEBI vide its Circular dated April 17, 2014).

Composition and Attendance:

The composition of the Audit Committee is in conformity with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges, as on 31st March, 2014.

Currently, the Audit Committee consists of three Directors, of which two are Independent. The composition of the Audit Committee is in conformity with the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges (Clause 49 has been amended by SEBI vide its Circular dated April 17, 2014).

Four meetings of the Committee were held during the financial year ended 31st March 2014.

Dates of the meetings and the number of Members attended are given below:

Dates of Meetings	Number of Members Attended
27th May, 2013	3
12th August, 2013	2
28th October, 2013	3
10th February, 2014	3

Names of Members of the Committee and their attendance at the Meetings are given below:

Name	Status	Number of Meetings Attended
Mr. Suman Jyoti Khaitan	Chairman	4
Mr. T.S. Bhattacharya	Member	3
Mr. Gautam Kanjilal	Member	4

The Executive Director (Finance) regularly attends the Committee meetings and the Company Secretary acts as the Secretary of the Committee. All the Committee meetings were attended by the Internal Auditors and the Statutory Auditors.

Whistle Blower Policy – Vigil Mechanism

The Board of Directors at its meeting held on 29th May, 2014, revised the existing Whistle Blower Policy (WBP) of the Company in accordance with the requirements of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement (Clause 49 has been amended by SEBI vide its Circular dated April 17, 2014, which will be applicable w.e.f. October 1, 2014).

WBP provides for establishment of vigil mechanism for directors and employees to report genuine concerns or grievances. It encourages all employees, directors and business partners to report any suspected violations promptly and intends to investigate any bonafide reports of violations. It also specifies the procedures and reporting authority for reporting unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy or any other unethical or improper activity including financial irregularities, including fraud, or suspected fraud, wastage / misappropriation of Company's funds/assets etc.

WBP also provides for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee, in exceptional cases.

4. Nomination and Remuneration Committee:

Terms of Reference (as on 31st March, 2014):

The Remuneration Committee had been constituted to:

- recommend / review / approve the remuneration of Executive Directors, including Managing Director(s) on the basis of their performance.
- ensure that the remuneration policy of the Company is directed towards rewarding performance.
- ensure that the remuneration policy is in consonance with the existing Industry practices and market trends.

The Board of Directors of the Company at its meeting held on 29th May, 2014 renamed the Remuneration Committee as "Nomination and Remuneration Committee" and revised its Terms of Reference in conformity with Section 178 of the Companies Act, 2013.

Terms of Reference (revised):

The Nomination and Remuneration Committee has been constituted to:

1. Selection of candidates for the position of Directors on the Board of Directors and senior management of the Company and recommendation to the Board for their appointment and removal thereof.
2. Evaluation of performance of Directors on the Board of the Company.
3. Formulation of criteria for determining qualifications, positive attributes and independence of Directors on the Board of the Company.
4. Formulation and recommendation to the Board, a Nomination and Remuneration Policy, relating, among other, to remuneration of Directors on the Board of the Company, key managerial personnel and other employees etc.
5. Devising a Policy on Board diversity.
6. Determination of remuneration package of persons proposed to be appointed as Directors on the Board of Directors and in the senior management, including salary, benefits, perquisites, allowances, reimbursements, facilities, share in profits, commission, management incentives, stock options etc. in accordance with section 196, 197 and other applicable provisions and schedule V to the Companies Act, 2013 and the Company's policies and their recommendation to the Board of Directors.
7. Determination, from time to time, of terms of revision of remuneration of Directors on the Board of Directors including salary, benefits, perquisites, allowances, reimbursements, facilities, share in profits, commission, management incentives, stock options etc. in accordance with section 196, 197 and other applicable provisions and schedule V to the Companies Act, 2013 and the Company's policies and their recommendation to the Board of Directors.
8. Undertake any other activity in this regard as may be required by the Companies Act, 2013 or the Rules, from time to time.
9. To do all acts, deeds and things which may be necessary for effective implementation of the foregoing acts.

Composition and attendance:

The Nomination and Remuneration Committee consists of three Directors, all being Independent. During the financial year ended 31st March, 2014, one meeting of the Nomination and Remuneration Committee was held on 27th May, 2013. All the Members attended the aforesaid meeting.

Names of Members of the Committee and their attendance at the Meetings are given below:

Name	Status	Number of Meetings attended
Mr. Suman Jyoti Khaitan	Chairman	1
Mr. T.S. Bhattacharya	Member	1
Mr. James Alistair Kirkland Cochrane *	Member	1
Mr. Girish Sharma #	Member	N.A.

* Mr. James Alistair Kirkland Cochrane has ceased to be member of the Committee w.e.f. 24th February, 2014.

Mr. Girish Sharma has been inducted as a new member w.e.f. 29th May, 2014.

Details of Remuneration paid to the Directors during the financial year ended 31st March 2014:**(i) Executive Directors:**

(Amount in ₹)

Name of Directors	Designation	Salary	Commission	Contribution to PF	Others	Total	Notice Period
Mr. Ratan Jindal *	Chairman & Managing Director	-	-	-	-	-	N.A.
Mr. Jitender P. Verma	Executive Director (Finance)	56,64,000	-	6,79,680	1,73,82,702	2,37,26,382	N.A.
Mr. Rajinder Parkash Jindal **	Executive Director	4,54,194	-	-	4,92,044	9,46,238	N.A.
Mr. Ramesh R. Nair #	President & Executive Director	29,000	-	3,480	4,46,098	4,78,578	N.A.
Mr. Subash Singh Viridi #	Executive Director & Chief Operating Officer	8,04,516	-	96,542	21,58,815	30,59,873	N.A.
Mr. Uday Kumar Chaturvedi #	Chief Executive Officer	33,70,968	-	4,04,516	83,96,027	1,21,71,511	N.A.

* Mr. Ratan Jindal has received salary of ₹8.37 Crore from Jindal Stainless FZE in the capacity of Director and ₹2.79 Crore from Jindal Stainless UK Ltd. in the capacity of Managing Director during the financial year 2013-14. Jindal Stainless FZE and Jindal Stainless UK Ltd., are the subsidiary companies of Jindal Stainless Limited.

** Mr. Rajinder Parkash Jindal has been appointed as an Additional Director and designated as Executive Director w.e.f. 6th January, 2014.

Mr. Ramesh R. Nair, Mr. Subash Singh Viridi and Mr. Uday Kumar Chaturvedi ceased to be Directors w.e.f. 2nd April, 2013, 27th May, 2013 and 31st December, 2013 respectively.

(ii) Non Executive Directors:

Particulars of sitting fee paid to the Non Executive Directors during the financial year ended 31st March, 2014 are as follows:

Name of Director	Sitting fee paid Amount (₹)
Smt. Savitri Jindal*	-
Mr. Naveen Jindal	20,000
Mr. Rajeev Bakshi*	60,000
Mr. James Alistair Kirkland Cochrane*	30,000
Mr. Suman Jyoti Khaitan	1,60,000
Mr. T.S. Bhattacharya	1,40,000
Mr. Gautam Kanjilal	1,70,000

* Smt. Savitri Jindal, Mr. Rajeev Bakshi and Mr. James Alistair Kirkland Cochrane ceased to be Directors w.e.f. 28th October, 2013, 20th February, 2014 and 24th February, 2014 respectively.

No commission has been paid to the non-executive directors.

There has been no material pecuniary relationship or transactions between the Company and Non Executive Directors during the financial year 2013-2014, except as stated above.

There are no convertible instruments issued to any of the Non Executive Directors of the Company. The details of equity shares of the Company held by the Non Executive Directors as on 31st March 2014, are as follows:

Name of Director	Number of Equity Shares
Smt. Savitri Jindal*	88,573
Mr. Naveen Jindal	12,768
Mr. Rajeev Bakshi*	Nil
Mr. James Alistair Kirkland Cochrane*	Nil
Mr. Suman Jyoti Khaitan	Nil
Mr. T.S. Bhattacharya	Nil
Mr. Gautam Kanjilal	Nil

* Smt. Savitri Jindal, Mr. Rajeev Bakshi and Mr. James Alistair Kirkland Cochrane ceased to be Directors w.e.f. 28th October, 2013, 20th February, 2014 and 24th February, 2014 respectively.

Stock Options granted to Directors

In terms of Employee Stock Option Scheme, 2010 of the Company, Directors were granted Stock Options (ESOPs) as mentioned below:

Name of Director	Number of ESOPs granted on 28th July 2010	Number of ESOPs vested on 28th July 2012	Number of ESOPs vested on 28th July 2013
Mr. Suman Jyoti Khaitan	10,000	3,000	3,000
Mr. T.S. Bhattacharya	10,000	3,000	3,000
Mr. James Alistair Kirkland Cochrane*	10,000	3,000	3,000
Mr. Rajeev Bakshi*	10,000	3,000	3,000
Mr. Subash Singh Viridi*	55,000	12,375	-
Mr. Jitender P. Verma	N. A.	55,000	-
Mr. Ramesh R. Nair *	N. A.	55,000	-

* ESOPs granted to Mr. James Alistair Kirkland Cochrane, Mr. Rajeev Bakshi, Mr. Ramesh R. Nair and Mr. Subash Singh Viridi have lapsed due to their cessation from the Board of Directors of the Company.

* Mr. Jitender P. Verma have already declined to accept ESOPs.

5. Stakeholders Relationship Committee:

The Board of Directors of the Company at its meeting held on 29th May, 2014 renamed the Shareholders' / Investors' Grievance Committee as "Stakeholders Relationship Committee" and revised its Terms of Reference in conformity with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges (Clause 49 has been amended by SEBI vide its Circular dated April 17, 2014, which will be applicable w.e.f. October 1, 2014).

The Stakeholders Relationship Committee consists of three Directors, of which one is Independent and two are Executive Directors. Four meetings of the Committee were held during the financial year ended 31st March, 2014.

Dates of the meetings and the number of Members attended are given below:

Dates of Meetings	Number of Members attended
27th May, 2013	3
12th August, 2013	3
28th October, 2013	3
10th February, 2014	3

Names of Members of the Committee and their attendance at the Meetings are given below:

Name	Status	Number of Meetings attended
Mr. Suman Jyoti Khaitan	Chairman	4
Mr. Jitender P. Verma	Member	4
Mr. Rajinder Parkash Jindal #	Member	1
Mr. Subash Singh Viridi*	Member	1
Mr. Uday Kumar Chaturvedi*	Member	2

* Mr. Subash Singh Viridi and Mr. Uday Kumar Chaturvedi ceased to be members of the committee w.e.f 27th May, 2013 and 31st December, 2013 respectively.

Mr. Rajinder Parkash Jindal has been inducted as a new member w.e.f. 10th February, 2014.

Pursuant to the Listing Agreement with the Stock Exchanges, Mr. Jitendra Kumar, Company Secretary has been appointed as the Compliance Officer who monitors the share transfer process and liaises with the Authorities such as SEBI, Stock Exchanges, and Registrar of Companies etc. The Company complies with the various requirements of the Listing Agreement and depositories with respect to transfer of shares and share certificates are sent to them within the prescribed time.

The Committee looks into the grievances of the Shareholders related to transfer of shares, payment of dividend and non receipt of annual report and recommends measure for expeditious and effective investor service.

The Company has duly appointed Share Transfer Agent (R&T Agent) for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to the investors within the prescribed time.

During the year, only 5 complaints were received which stand resolved and no complaint is pending as on 31st March 2014.

6. Share Transfer Committee:

The Board of Directors has delegated the power of approving transfer of securities and other related formalities to the Share Transfer Committee comprising of Mr. Ratan Jindal, Chairman & Managing Director, Mr. Jitender P. Verma, Executive Director (Finance), Mr. Suman Jyoti Khaitan, Independent Director, Mr. Jitendra Kumar, Company Secretary and a representative of Registrar & Transfer Agent.

During the financial year ended 31st March 2014, all the valid requests for transfers of shares were processed in time and there are no pending transfers of shares.

7. General Body Meetings:

The last three Annual General Meetings were held at registered office of the Company at O.P. Jindal Marg, Hisar – 125 005 (Haryana), as per details given below:

Year	Date	Day	Time	Number of Special Resolution(s) passed
2010-11	27.9.2011	Tuesday	12:00 noon	1
2011-12	26.9.2012	Wednesday	11.00 a.m.	4
2012-13	26.9.2013	Thursday	11.30 a.m.	3

No special resolution was put through postal ballot last year.

8. Disclosures:

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large.

The Company has not entered into any transaction of material nature with the promoters, the directors or the management, their subsidiaries or relatives etc. that may have any potential conflict with the interests of the Company. Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report.

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years; no penalties or strictures have been imposed on the Company by the stock exchanges or SEBI or any other statutory authorities relating to the above.

(iii) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

The Company has complied with the mandatory requirements of this clause.

Compliance with non-mandatory requirements (as on 31st March, 2014)

(1) The Board

It is ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which, in the opinion of the Company, would enable him to contribute effectively to the Company in his capacity as an Independent Director.

(2) Remuneration Committee:

The Company has constituted Remuneration Committee of Directors to recommend / review overall compensation structure and policies of the Directors.

(3) Shareholders' Rights

The quarterly results of the Company are published in one English (National daily) and one Hindi newspaper, having wide circulation in Haryana. Further, the quarterly results are also posted on the website of the Company – www.jindalstainless.com. In view of the forgoing, the half yearly results of the Company are not sent to the shareholders individually.

(4) Audit Qualifications

During the period under review, there were no audit qualifications in the Company's financial statements. The Company continues to adopt best accounting practices.

(5) Whistle Blower Policy

The Company has adopted a Whistle Blower Policy (WBP) which encourages all employees, officers and directors to report any suspected violations promptly and intends to investigate any bonafide reports of violations. The Whistle Blower Policy specifies the procedures and reporting authority for reporting unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy or any other unethical or improper activity including misuse or improper use of accounting policies and procedures resulting in misinterpretation of accounts and financial statements.

WBP also provides safeguard against victimisation or unfair treatment of the employees who avail of the mechanism and no personnel has been denied access to the Audit Committee.

9. Means of Communication:

i)	Quarterly Results	The quarterly, half yearly and yearly financial results of the Company are faxed /sent to the stock exchanges after they are approved by the Board. These are also published in the prescribed format as per the provisions of the Listing Agreement.
ii)	Newspapers wherein results normally published	Business Standard / Financial Express (English), Jansatta (Hindi) - <i>for the year 2013-14</i>
iii)	Any website, where displayed	www.jindalstainless.com
iv)	Whether it also displays official news releases	The Company gives important Press Releases.
v)	The Presentations made to institutional investors or to the analysts	The Company holds Analysts' Meet from time to time.

10. General Shareholders' Information

10.1	Annual General Meeting	<ul style="list-style-type: none"> - Date and Time : 22nd September, 2014 at 11.30 a.m. - Venue : At registered office of the Company at Jindal Stainless Limited, O.P. Jindal Marg, Hisar – 125 005 (Haryana). 												
10.2	Financial Calendar 2014 – 15 (Tentative)	<table border="0"> <tr> <td style="vertical-align: top;">Annual General Meeting – (Next Year)</td> <td style="vertical-align: top;">September, 2015</td> </tr> <tr> <td style="vertical-align: top;">Financial Reporting</td> <td style="vertical-align: top;">On or before</td> </tr> <tr> <td style="vertical-align: top;">Results for quarter ending June 30, 2014</td> <td style="vertical-align: top;">14th Aug., 2014</td> </tr> <tr> <td style="vertical-align: top;">Results for quarter ending Sep. 30, 2014</td> <td style="vertical-align: top;">14th Nov., 2014</td> </tr> <tr> <td style="vertical-align: top;">Results for quarter ending Dec. 31, 2014</td> <td style="vertical-align: top;">14th Feb., 2015</td> </tr> <tr> <td style="vertical-align: top;">Results for year ending Mar. 31, 2015 (Audited)</td> <td style="vertical-align: top;">30th May, 2015</td> </tr> </table>	Annual General Meeting – (Next Year)	September, 2015	Financial Reporting	On or before	Results for quarter ending June 30, 2014	14th Aug., 2014	Results for quarter ending Sep. 30, 2014	14th Nov., 2014	Results for quarter ending Dec. 31, 2014	14th Feb., 2015	Results for year ending Mar. 31, 2015 (Audited)	30th May, 2015
Annual General Meeting – (Next Year)	September, 2015													
Financial Reporting	On or before													
Results for quarter ending June 30, 2014	14th Aug., 2014													
Results for quarter ending Sep. 30, 2014	14th Nov., 2014													
Results for quarter ending Dec. 31, 2014	14th Feb., 2015													
Results for year ending Mar. 31, 2015 (Audited)	30th May, 2015													
10.3	Book Closure date	: 10th day of September, 2014 to 12th day of September, 2014 (both days inclusive) for Annual General Meeting.												
10.4	Dividend Payment date	: Not applicable												
10.5	Unclaimed Shares	:												

In terms of Clause 5A of the Listing Agreement, the Company had through its RTA sent three reminders to Shareholders whose Share Certificates were lying unclaimed with the Company, requesting them to provide complete postal address and other relevant details to enable the RTA to dispatch such unclaimed Share Certificates to them. On the basis of non-receipt of response, 1,97,615 unclaimed Equity Shares of Rs.2 each held by 1506 Shareholders were then transferred to an "Unclaimed Suspense Account" and were dematerialized.

The corporate benefits in terms of securities accruing on such shares viz. bonus shares, split etc., were also credited to the Demat Suspense Account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

As and when the rightful owner of such shares approaches the Company, the Company shall to the extent of his / her entitlement, arrange to deliver the shares from the said account to the rightful owner after proper verification of his / her identity.

10.6 (a)	Listing of Equity Shares on Stock Exchanges	<table border="0"> <tr> <td style="vertical-align: top;">National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G – Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051</td> <td style="vertical-align: top;">BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001</td> </tr> </table>	National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G – Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G – Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001			

The Company confirms that it has paid annual listing fees due to both the above stock exchanges.

(b)	Listing of GDS on Stock Exchange	: Luxembourg Stock Exchange, P.O. Box 165, L – 2011, Luxembourg.
(c)	Debenture Trustee	: Axis Bank Limited Maker Towers "F", 13th Floor, Cuffee Parade, Colaba, Mumbai – 400 005.

10.7 Stock Code (Equity Shares) : Trading Symbol – BSE Limited (Demat Segment): 532508
 Trading Symbol – National Stock Exchange of India: JSL (Demat Segment)

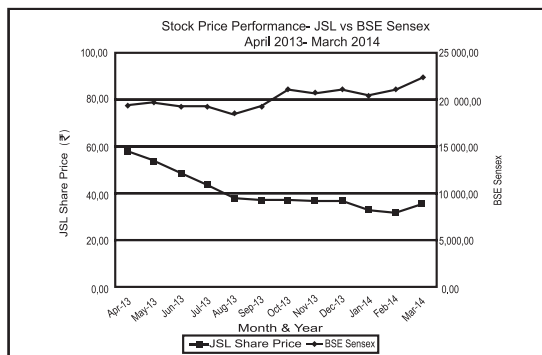
International Securities Identification Number (ISIN)

Equity Shares : INE220G01021
 GDS : US4775862000
 Reuters Code : JIST.BO (BSE)
 JIST.NS (NSE)

10.8 Stock Market Price Data : **National Stock Exchange of India Ltd.(NSE)** **BSE Limited (BSE)**
 (In ₹) (In ₹)

	Month's High Price (In ₹)	Month's Low Price (In ₹)	Month's High Price (In ₹)	Month's Low Price (In ₹)
April, 2013	68.00	46.65	68.40	46.65
May, 2013	61.90	50.50	61.95	51.00
June, 2013	55.70	46.00	55.25	46.15
July, 2013	52.50	44.00	52.50	43.55
August, 2013	49.75	37.25	50.50	37.55
September, 2013	44.45	36.75	44.80	36.65
October, 2013	41.10	36.10	41.00	36.30
November, 2013	40.65	35.25	40.65	35.10
December, 2013	42.95	36.20	43.45	36.35
January, 2014	40.80	33.20	40.70	33.20
February, 2014	37.70	30.85	38.00	31.55
March, 2014	38.20	32.00	37.95	31.45

10.9 Share price performance in comparison to broad based indices – BSE Sensex



Note : Based on the Monthly closing data of Jindal Stainless Limited (Rs. per share) and BSE Sensex.

10.10 Registrar and Transfer Agents : Link Intime India Private Limited
44, Community Center, 2nd Floor, Naraina Industrial Area, Phase I,
Near PVR, Naraina, New Delhi - 110028
Phone No. (011) 41410592/93/94, Fax No. (011) 41410591
Email : delhi@linkintime.co.in

10.11 Share Transfer System : Share transfer requests for shares in physical form are registered within 10 – 15 days. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through the respective Depository Participants.

10.12 Distribution of shareholding as at 31st March, 2014:

By size of shareholding	Shareholders		Equity shares held	
	Number	Percentage	Number	Percentage
1 - 2500	48,024	98.12	1,37,82,889	6.40
2501 - 5000	494	1.01	17,56,567	0.82
5001 - 10000	207	0.42	14,97,950	0.70
10001 - 15000	65	0.13	7,81,209	0.36
15001 - 20000	23	0.05	4,02,634	0.19
20001 - 25000	11	0.02	2,62,897	0.12
25001 - 50000	36	0.07	12,88,206	0.60
50001 & Above	82	0.17	19,56,02,653	90.82
TOTAL	48,942	100.00	21,53,75,005	100.00
Physical Mode	12,288	25.11	40,22,588	1.87
Electronic Mode	36,654	74.89	21,13,52,417	98.13

By category of shareholders	Equity Shares held	
	Number	Percentage
Promoters	9,87,67,250	45.86
GDS held by promoters underlying shares	1,67,34,984	7.77
GDS held by others underlying shares	8,69,350	0.40
FIs/Banks/Mutual Funds	1,88,27,964	8.75
Corporate Bodies	81,86,793	3.80
FIIIs	4,37,65,249	20.32
NRIs/OCBs	1,16,74,661	5.42
Public	1,65,48,754	7.68
Total	21,53,75,005	100.00

10.13 Dematerialisation of shares : 98.13% of the shares have been dematerialised upto 31st March, 2014. Trading in equity shares of the Company is permitted only in dematerialized form.

10.14 Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion dates and likely impact on equity. : FCCBs: As on 1st April, 2013, Foreign Currency Convertible Bonds (FCCBs) amounting to USD 1.50 million were outstanding. During the year, Company received conversion notices for 300 FCCBs amounting to USD 1.5 million and subsequently the Company allotted 5,47,458 fully paid equity shares on 08.11.2013. Thus, there are no outstanding FCCBs as on 31st March, 2014.

CCCPS: Pursuant to the resolution passed by the shareholders at the EGM held on 26th March, 2014, the Company allotted 1,58,10,440 Cumulative Compulsory Convertible Preference Shares (CCCPS) of Rs. 2 each at a price per CCCPS equal to Rs. 37.65 (including a premium of Rs. 35.65) to JSL Overseas Limited, a member of the promoter group, on preferential basis, on 31st March, 2014. The CCCPS shall be converted into Equity Shares within a period of 18 months from the date of allotment of the CCCPS.

- 10.15 Plant locations** :
- **HISAR**
O.P. Jindal Marg,
Hisar – 125 005
(Haryana).
 - **KOTHAVALASA**
Jindal Nagar,
Kothavalasa – 535 183
Dist. Vizianagaram (A.P.)
 - **ODISHA**
Kalinga Nagar Industrial Complex,
P.O. Danagadi – 755 026
Dist. Jajpur (Odisha)

10.16 Investor Correspondence :

For transfer / dematerialisation of shares, payment of dividend on shares, query on Annual Report and any other query on the shares of the Company.

Name : Mr. V.M. Joshi
Designation : Vice President
Address : Link Intime India Private Limited
44, Community Center, 2nd Floor
Naraina Industrial Area, Phase I, Near PVR, Naraina,
New Delhi - 110028
Phone No. (011) 41410592/93/94
Fax No. (011) 41410591
Email : delhi@linkintime.co.in

Shareholders holding shares in electronic mode should address all their correspondence relating to change of address, bank mandate and status to their respective Depository Participants (DPs).

Important Communication to Members:

Members must be aware that Ministry of Corporate Affairs (MCA) has started a “Green Initiative in the Corporate Governance”, whereby it has allowed paperless compliances by the Companies in the field of servicing of notice / documents, including Annual Report through emails. Members, who have not yet registered their email addresses, are requested once again to register their email addresses in respect of their shareholding in electronic mode with the Depository Participants, including any change in their email id. Members holding shares in physical mode are requested to register their email addresses with the Company / M/s. Link Intime India Private Limited, New Delhi, the Registrar & Transfer Agent.

11. OTHER INFORMATION

(a) Risk Management Framework:

The Company has in place mechanism to inform Board members about the risk assessment and minimization procedures and periodical reviews to ensure that risk is controlled by the executive management through the means of a properly defined framework.

(b) CEO and CFO Certification

The Chairman and Managing Director and the Executive Director (Finance) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49. They also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

(c) Code of Conduct

The Company has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of conduct is available on the website of the Company. The declaration of the Chairman and Managing Director is given below:

To the Shareholders of Jindal Stainless Limited

Sub.: Compliance with Code of Conduct

I hereby declare that for the financial year ended 31st March, 2014 all the Board members and senior management personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Place: New Delhi

Date : 29th May, 2014

(Ratan Jindal)

Chairman & Managing Director

General Disclosures

- (i) A summary of transactions with related parties in the ordinary course of business is periodically placed before the audit committee;
- (ii) The mandatory disclosure of transactions with related parties in compliance with Accounting Standard AS-18 is a part of this annual report;
- (iii) While preparing the annual accounts in respect of the financial year ended 31st March, 2014, no accounting treatment was different from that prescribed in the Accounting Standards;
- (iv) The Company has a Code of Conduct for Prevention of Insider Trading in the shares of the Company for directors and other identified persons in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE
GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**

To the members,

Jindal Stainless Limited

We have examined the compliance of the conditions of Corporate Governance by Jindal Stainless Limited for the year ended on March 31, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of 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.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchanges have been complied with by the Company and that no investor grievance(s) is/are pending for exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee / Share Transfer Committee of the Board.

We state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : New Delhi
Dated : 26th May, 2014

B.D. Tapriya
Company Secretary
C.P. No. 2059

Global Outlook

There has been a strengthening in Global economic activity broadly during 2013-14 and is expected to improve further in 2014-15. As per IMF World Economic Outlook, Global growth is projected to strengthen from 3% in 2013 to 3.6% in 2014 and 3.9% in 2015. The threat of sharp fiscal contraction in United States has been diffused by policy makers resulting in calming of world markets. Growth would be the strongest in United States and marginally positive in Euro zone. In emerging economies the growth trajectory would be gradual and expected to be about 5% in 2014 and 5.25% in 2015 backed up by stronger external demand from advanced economies, however tighter financial conditions may dampen domestic demand growth. The strengthening of the recovery from the Great Recession in the advanced economies is a welcome development, however growth is not evenly robust across the globe, and more policy efforts are needed to fully restore confidence and lower downside risks.

Indian Economy

Financial Year 2013-14 has seen Rupee plunging to a low of 68.80 in response to announcement of tapering of liquidity by US Fed Reserve before stabilizing at around 60.0 levels. There has been unprecedented lowering of Current Account Deficit from USD 87.8 bn in FY 2012-13 to USD 32.4 bn in FY 2013-14 by placing curbs on Gold Imports. GDP growth although remained sluggish at 4.4% in 2013 yet as per IMF projections it is expected to be around 5.4% in 2014. Overall growth is expected to firm up on policy reforms by the newly elected government although consumer price inflation is expected to remain an important challenge.

Global Stainless Steel Scenario

The Global crude Stainless Steel production during 2013 was 38.1 million ton over 2012 production of 35.4 million ton, registering a growth of 7.6%. The Stainless Steel production has shifted from Western economies to the Asian economies with China accounting almost 50% of the World's production during 2013-14. As per Heinz H. Pariser's Metal & Markets research, during China's current five year plan (2011-15) Stainless steel production capacity is scheduled to be further extended to 30 million tones. The current per capita consumption of the World is 5 kg, China is 6 kg and India is 2.1 kg thereby signifying huge potential of Stainless Steel consumption in developing countries in view of rising population and impending economic growth.

Indian Stainless Steel Scenario

Today, with a crude stainless steel production of 3 mmt, India ranks as the third largest producer and second largest consumer of Stainless Steel. The market for 2013-14 was at 2.5 mmt of which Flat products accounted for approx 2 mmt. With a low per capita consumption of 2.1 kg (as against the world average of 5 kgs), there lies a huge potential for future growth. While, there is scope for growth, slowdown in sectors such as Infrastructure, Railways, Seaports, Airports, Highways, and Bridges etc. have been major obstacles in growth of Stainless Steel. But, with new government promising to focus on growth of infrastructure sector, demand for Stainless Steel should also get a boost.

Way Forward

Increase Market Share - Maximize Domestic Sales and Optimize Exports

JSL has initiated strategic growth plans in both domestic and international markets and has made investments towards capacity expansions through forward and backward integration.

1. Domestic Market

On account of the global meltdown and severe recessionary conditions existing internationally, it has become important to have more thrust in the Domestic Market. We are therefore, focusing on improving our domestic market share and have accordingly allocated 75% of our production for the domestic market and the remaining 25% is being exported to strategic markets.

2. Export Market

Considering the large capacities that exist Overseas, selling in the international market has become strategic in nature. The main focus is on long-term relationships with the key customer base.

- Identification of Focus Countries is being driven on the basis of economic/growth parameters, SS consumption patterns/segments, profitability analysis and importantly of Jindal Stainless product fitment. Accordingly, a greater penetration in European, Russian, Asian and Middle East markets is being focused. Continuous supply with increased focus on customer service is being driven strongly.
- Focus on increasing sales to OEMs has been increased through the local-to-global initiative wherein international OEMs with bases in India are targeted with a view of forging long-term relationships.

Product and application Development - Increasing Per Capita Consumption

Special drive has been organized in hitherto untapped segments like elevators, pumps, sugar, rice and petrochemical industries etc.

- Development of new grades like 444, 445, 446 and/or special finishes by increasing capacities; improving upon technical know-how and/or adding necessary equipments is the firm's growth plan.
- Approvals and registration for the newly developed products/grades in domestic and international organizations is key focus area.
- Parallel developmental activities for applications of stainless steels for products currently in other material / grades are being carried out.

Business Highlights (Standalone)

JSL's (Standalone) gross revenue for the financial year ended 31st March, 2014 at ₹12,942 crore as against ₹11,091 crore in FY 2012-13, has been highest ever, a growth of 17% year-on-year, mainly due to increased volume of sales at the new plant at Jajpur. Exports sales surged to ₹3,482 crore from ₹3,220 crore in FY 2012-13 with year-on-year growth of 8% and Domestic sales grew by 20% to ₹9,460 crore from ₹7,871 crore in FY 2012-13.

Profit before depreciation, interest and taxes stood at ₹886 crore as against ₹615 crore in FY 2012-13. Net profit/ (loss) stood at ₹(1390) crore as compared to ₹(821) crore mainly on account of Interest cost of ₹1235 crore in comparison to ₹990 crore in FY 2012-13 and exceptional loss of ₹417 crore as compared to ₹167 crore in FY 2012-13. The increase in interest is mainly on account of conversion of some of the Foreign Currency borrowings into Rupee borrowings. This was an exceptionally challenging year for JSL on account of tough economic conditions

both Indian and Global, steep and sharp depreciation of rupee against dollar and adverse industry dynamics. However, the company was able to achieve good progress in ramping up of Jajpur plant and achieve the highest ever sales and further expects to gain from this state of art plant in the years to come.

Risks and Concerns

JSL is exposed to normal industry risk factors like market fluctuation, economic slowdown, government policies logjam, imports from global competitors etc. and manages these risks by deploying prudent business and risk management practices. The company has been undertaking continuous modernization programmes to maintain efficient operation of its products and engineering activities. The company has also made efforts to mitigate risk by enhancing the quality of its products, use of hot metal in Electric Arc Furnaces, reduction in energy consumption and emissions, and improved productivity. The company is also looking at various options to maintain an adequate level of liquidity for smooth running of its operations

Internal Controls Systems

JSL's internal controls system is designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, reliability of financial controls and compliance with all relevant laws and regulations. Periodic independent internal checks and audits are conducted for monitoring the effectiveness of the internal controls with an objective to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organisation's control and governance processes. Recommendations are provided to add value to the organisation and follow up are done on the implementation of corrective actions. Necessary quality control systems and procedures have been established and clear demarcation of roles and responsibilities have been defined at various levels of operations.

Annual audit plan is made based on the risk profile of activities of the organisation and audit areas are prioritised accordingly. The audit plan is approved by the Audit Committee which regularly reviews the reports and compliance to the plan.

Quality Management Systems

Jindal Stainless Limited is committed to continual quality improvement of all of its products, processes and services to meet customer requirements and expectations by means of a stringent Quality Management System (ISO 9001:2008). The QMS is the foundation of our company's culture and is the responsibility of all employees. Our culture is built on integrity, excellence, entrepreneurship, and attention to detail. This is manifested in our insistence on meeting commitments, the use of advanced technologies, on-time delivery of unquestioned quality and the continuous improvement of our Quality Management System.

Apart from QMS, Jindal Stainless Limited is also ISO 14001:2004 (EMS) & OHSAS 18001:2007 certified. We believe that Health & Safety of its employees, who are an asset to the company, is of utmost importance. These systems ensure that quality of the product is world class, and at the same time, the processes that go into making such products, are environmental friendly and risk free, thus providing a conducive work environment for all. The internal control systems are continuously monitored and improved by means of a rigorous internal audit system that includes a cross functional team of auditors specifically trained for the above purpose. Attacking environmental aspects/risks in order to reduce/minimize their impact is a normal part of our business day. With these systems in place, we aim to strive from customer satisfaction to customer delight.

Besides being an Integrated Management System (ISO 9001, ISO 14001 & OHSAS 18001) organization, the products of Jindal Stainless Limited are also certified for Pressure Equipment Directive (PED-97/23/EC) and AD 2000 W0 and for Construction Product Directive (0045-CPD-0896) for using "CE" marking. These certifications demonstrate the capability of our product to meet the stringent requirements of the European Union for Pressurized Vessel applications like boilers, pressure vessels, valves etc. and for being used in Architecture, Building and Construction (ABC) Sector.

Research & Development

During the financial year 2013-14 the R&D division has been actively engaged in development of new value added stainless steel grades, process improvements and in serving clients through customised products matching their specific property requirements. Moreover, several measures were also undertaken to reduce cost in different production lines.

Some of the key highlights for the year are :-

1. Development of New Products:

- Development of austenitic stainless steel EQ309L with high ferrite content for use in weld overlay applications.
- Development of heat resistant austenitic stainless steel UNS S30815 micro-alloyed with rare-earth cerium.
- Development of highly corrosion resistant super-austenitic stainless steel – 904L
- Development of new austenitic grades for high temperature applications – 304H and 347H
- Development of Clad Stainless Steel plates in 350 mm width.
- Development of high thickness plates of 441 grade for gasket application.

2. Process Improvement:

- Successfully produced hot-rolled duplex stainless steel UNS S32205 down to 5 mm thickness.
- Complete elimination of bow in duplex plates after plate annealing by suitably modifying processing during annealing and quenching of plates.

3. Cost Reduction:

- Suitable use of AOD dust, rolling mill scale and grinding dust in EAF for conservation of metallic elements and resources.
- Modification of chemistry and process parameters of 309S and 316Ti grades to reduce cost.
- Improvement in grinding practice of ferritic stainless steel grades leading to cost saving.

Environment

In its pursuit of sustaining and green environment alongside its business development unit has developed and implemented Environmental Management System (EMS) as per ISO 14001:2004 in adherence to statutory norms. We have laid fresh thrust towards enhancing our resource efficiency in operations, especially for key resources such as energy and water. Additionally we are adopting the '3-R' (reduce, reuse and recycle) philosophy for all types of wastes towards prevention of pollution and dispose of inevitable wastes and set, monitor, and review objectives and targets on an ongoing basis towards continuous improvement in environmental performance and the overall environmental management system. The company has made substantial capital investments to ensure proper treatment of generated effluents to meet all relevant regulatory requirements. JSL is fully compliant with various environmental protection and health and safety laws and regulations. In its constant endeavor to be fully compliant with all regulatory standards, JSL has instituted a compliance management system, which ensures that the Company is in full compliance to all applicable legal requirements. To be in harmony with nature, JSL continues its efforts such as tree plantation, maintenance of green belts and gardens in and around our manufacturing units, vermi-compost of waste and its use as manure, recycling of treated water in cooling water system and in horticulture activities, etc to maintain its Zero Discharge.

Health

JSL has setup a well equipped OHC (Occupational Health Centers) at the plant itself to meet the requirements of proper occupational health of employees. The OHC are fully equipped to provide basic diagnostic and therapeutic treatment and are manned by qualified occupational health specialists. JSL is managing a state of art hospital which caters to the complete requirement of health needs of employees and their family members and also to the larger community of Hisar and its adjoining areas. The company also offers a mediclaim policy that provides for healthcare expenses and other benefits to employees and their family members.

Safety

Jindal Stainless Limited's HSE Management System (HSE-MS) has been further strengthened with new initiatives. The HSE-MS have been institutionalized to establish Company-wide safety management objectives, guiding principles and processes. We focus on the areas of Behavioral Safety, Process Safety, Ergonomic and General Safety. Focused campaigns have been carried out in the areas of Gas Safety, Material Handling, Emergency Management Plan and Road Safety. We evaluate potentially hazardous conditions, unsafe acts and coordinate the implementation of solutions to reduce work-related injuries and illnesses. In partnership with other departments and management, EHS develops, monitors, and updates policies, programs, and procedures mandated by various regulatory agencies and statutory agencies. JSL continues to pursue world class operational excellence through the HSE Management System initiatives and its manufacturing divisions at Hisar undertook a rigorous self-assessment of operational discipline and they have implemented improvement measures with total employee involvement. Provision of appropriate protective equipments and gears to all the employees is being strictly monitored to ensure their safety. JSL's Central HSE audit program is a critical component of the HSE governance process, which has been specifically designed to ensure that stakeholder expectations, HSE Policy and HSE Management Standards are being effectively implemented across the plant.

Awards & Accolades

- Hisar Unit of Jindal Stainless has been conferred with First Prize in the National Energy Conservation Award – 2013 for its efforts to continuously optimize the consumption of energy for its operation in the Steel Re-rolling Sector.
- Hisar Unit of Jindal Stainless has received 1st Prize in Secondary Steel Plants/Alloy Steel Plants Category in "IIM National Sustainability Award".
- OHC of Jajpur Unit has been awarded as BEST OCCUPATIONAL HEALTH CENTRE by the Directorate of Factories & Boilers, Odisha.

Quality

JSL is committed to continual quality improvement of all of its products, processes and services to meet customer requirements and expectations by means of a stringent Quality Management System (ISO 9001:2008). The QMS is the foundation of our company's culture and is the responsibility of all employees. Our culture is built on integrity, excellence, entrepreneurship, and attention to detail. This is manifested in our insistence on meeting commitments, the use of advanced technologies, on-time delivery of unquestioned quality and the continuous improvement of our Quality Management System. These systems ensure that quality of the product is world class, and at the same time, the processes that go into making such products, are environmental friendly and risk free, thus providing a conducive work environment for all. The internal control systems are continuously monitored and improved by means of a rigorous internal audit system that includes a cross functional team of auditors specifically trained for the above purpose. Addressing environmental aspects/risks in order to reduce/minimize their impact is a normal part of our business. With these systems in place, we aim to strive from customer satisfaction to customer delight.

The products are also certified for Pressure Equipment Directive (PED-97/23/EC) & AD 2000 W0 and for Construction Product Directive (CPD 89/106/EEC) for using "CE" marking. These certifications demonstrate the capability of our product to meet the stringent requirements of the European Union for Pressurized Vessel applications like boilers.

Company CSR Vision

Financial year 2013-2014 has been very significant for JSL CSR in aligning itself to the Companies Act 2013. The year has also been very significant in championing the issue of Human Rights and Business. At Hisar and Jajpur, the key social developmental issues have focused on education and skill development, women empowerment, community development, integrated health care, infrastructure development and has been championing the issue on 'Business & Human Rights'. There have been significant outcomes, which besides scaling up the activities are indicative of focused achievements aimed at touching lives of many in varied ways.

Some of the highs are appended below:

Education - Initiatives have benefitted over 3000 children through different approaches like formal, OP Jindal School and Vidya Devi Jindal School and non formal, remedial and education through sports programs.

Skill Training - The institutes at different locations have trained youth in Industrial electrical, IT, Sign Language for the deaf, Dress Designing and Beauty Culture.

Health vans reached out to 40 villages and over 32000 people and provide them primary healthcare during the current FY.

Women Empowerment programs reach out to over 3000 women who contribute towards monthly savings and are encouraged to become self reliant through developing their entrepreneurial skills.

JSL has been streamlining the Women Empowerment Principles within the company. Keeping in line with the WEP, the company has come up with safety guidelines for women, encouraging women to apply in JSL and having women employees at Managerial positions. JSL also has a strong Internal Complaints Committee.

Infrastructure Development in the community like adding class rooms in government schools, building community centres, constructing roads, play grounds etc.

Business & Human Rights – The Company has been engaged in creating greater awareness amongst various stakeholders on issues relating to rights, especially in the domain of environmental and security and has been developing internal grievance mechanism processes. JSL-CSR organized a number of meetings with different stakeholders to include the large corporations and MSME sector.

JSL CSR initiated a new project last year in partnership with the Ministry of Rural Development (MoRD), with the aim of imparting skill training to unemployed youth of the State of Jammu & Kashmir. The students have completed their Short Term Course. Besides the short term course, the Himayat project also has a long term programme, which for the first time is being carried out under the aegis of JSL at different plant locations.

In the coming year, JSL CSR will continue to focus on skill development, education, women empowerment, environment and business and human rights. A new project 'Project Paper Back' has been initiated by JSL CSR, essentially focuses on the concept of 'Use – Reuse - Recycle' paper. JSL CSR is engaged in making a difference to lives of people through simple and small initiatives and then taking to scale.

Our People: Our Central Nervous System

JSL believes in fostering a collaborative work culture that forms the key to sustain a high performance workplace. JSL builds a platform of countless opportunities that offers individual growth, open culture and freedom to showcase creativity. In the FY 2013-14, various HR initiatives were rolled out which encompasses customer focus, digitization of HR processes, enhancing employee knowledge and creating avenues for sustaining the critical talent pool.

For meeting the expanding business requirements, the hiring drive of JSL continues. Overall employees added were 300 during the year which included 72 GETs and 6 Management Trainees. With focus on continuous development of employees, the overall training mandays stood at 11162.

With the objective to create an environment of belongingness and enhance capability building, campaigns of "Apna JSL" and "Customer Focus" was initiated. Strategizing on the retention of critical talent pool, "Talent Connect" program was launched which enabled the organization to understand career aspirations of the talent pool and seek their opinions and concerns towards organizational improvement. JSL continues to focus on process improvement thereby bringing in a robust online Performance Management System and Delegation of Authority matrix for HR. Enhancing of leadership potential has always been on priority at JSL which is reflected through the successful completion of EXCEED program.

In view of the safety and security of women employees of JSL, Internal Complaints Committee was activated in line with the "Sexual Harassment at Workplace Act (Prevention, Prohibition and Redressal)". Several sessions were conducted for women employees of JSL to have an understanding of the modalities of the Act encompassing the different legal rights of women. Training on "Self Defence" for all women employees have been conducted at all locations.

JSL recognizes that the key success to business is to maintain a vibrant workforce and leverage its collective intelligence effectively. The employee strength of JSL stood at 4494 as on 31st March 2014.

Cautionary Statement

The Management Discussions and Analysis describe the company's projections, expectations or predictions and are forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand and supply and price conditions in domestic and international market, changes in Government regulations, tax regimes, economic developments and other related and incidental factors.

To the members of Jindal Stainless Limited**Report on the financial statements**

We have audited the accompanying financial statements of Jindal Stainless Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and the fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In case of the Balance Sheet, of the state of the affairs of the company as at 31st March, 2014,
- b. In case of the statement of Profit and Loss, of the loss for the year ended on that date, and
- c. In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

Attention is drawn to the following:

- (a) Note no. 53(C)(i) regarding pending necessary approvals for managerial remuneration as explained in the said note.
- (b) Note no. 32(A)(iv)e read with Note no. 40(B) and 40(A) regarding pending confirmations of balances of certain secured loans, loans & advances, creditors & receivables as stated in the said note.
- (c) Note no. 40(C) regarding certain investments and loan & advances as good and fully realizable/ recoverable related to certain subsidiary companies, for the reason stated in said note, and no provision for diminution in value is necessary in the opinion of the management.

Our opinion is not qualified in respect of above matters.

Report on other legal and regulatory requirements

- (i) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on matters specified in paragraphs 4 and 5 of the order.
- (ii) As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us;
 - c. The report on the accounts of the branches audited under section 228 by other auditors have been forwarded to us as required by clause (c) of sub-section 228 and have been dealt with in preparing our report in the manner considered necessary by us;

- d. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement referred to in this report are in agreement with the books of account and with the audited returns received from the branches;
- e. In our opinion, the Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement referred to in this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- f. On the basis of the written representations received from the Directors and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March 2014 from being appointed as a Director of the Company in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **LODHA & CO.**
Chartered Accountants
FRN 301051E

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
FRN 000756N

Place: New Delhi
Date : 29th May, 2014

(N.K. LODHA)
Partner
Membership No. 85155

(ARUN K. TULSIAN)
Partner
Membership No. 89907

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

1. (a) The company has maintained proper records in respect of its fixed assets showing full particulars, including quantitative details and situation of fixed assets.
- (b) We have been informed that certain fixed assets of the company have been physically verified by the management according to a phased programme of periodic verification which, in our opinion, is reasonable having regard to the size of the company and nature of fixed assets. As informed, no material discrepancies between book records and physical inventory have been noticed in respect of the fixed assets physically verified during the year.
- (c) As per records and information and explanation given to us, no substantial part of fixed assets has been disposed off during the year.
2. (a) As informed, the inventory of the company (except stocks lying with third parties, in transit), part of the stores and spares, have been physically verified by the management either at the end of the year or after the year end, and in respect of stores and spares, there is perpetual inventory system and a substantial portion of the stocks have been verified during the year (Read with Note no. 49). In our opinion, the frequency of verification is reasonable.
- (b) According to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory; in respect of process stock, the records are updated as and when physical verification has been carried out. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. (a) As informed to us, the company has not given any loan, secured or unsecured to companies, firms, or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii) (b) to (d) of The Order are not applicable.
- (e) As informed to us, the company has not taken any loan, secured or unsecured, from companies, firms, or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4 (iii) (f) & (g) of The Order are not applicable.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations that certain items purchased/sold are of special nature for which, as explained, suitable alternatives sources, do not exist for obtaining comparative quotations, taking into consideration the quality, usage and such other factors, there are adequate internal control systems commensurate with the size of the company and nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given, we have neither come across nor have we been informed of any instance of major weaknesses in aforesaid internal control systems.
5. (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered in the register maintained under section 301 of the Act have been so entered.
- (b) In our opinion and having regard to our comments in paragraphs 4 above, and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered into the register maintained under section 301 of the Act and exceeding the value of rupees five lacs in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
6. In our opinion and according to the information and explanations given to us, the company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the Rules framed there under with regard to deposits accepted from public. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.

7. In our opinion, the company has an internal audit system commensurate with the size of the company and nature of its business.
8. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Act in respect of the Company's products and are of the opinion that, prima facie, the prescribed records have been made and maintained. We are, however, not required to make a detailed examination of such books and records.
9. (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues have generally been regularly deposited during the year with appropriate authorities. No undisputed amount payable in respect of the aforesaid statutory dues were outstanding as at 31.03.2014 for a period of more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, there are no dues in respect of Wealth Tax and Cess that have not been deposited with appropriate authorities on account of disputes and the dues in respect of Income Tax, Excise duty, Service Tax, Sales Tax and Custom Duty that have not been deposited with appropriate authorities on account of dispute and the forum where the dispute is pending are as given below:

Name of the statute	Nature of the Dues	Amount (₹ In lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	1.69	April 1995-June 95	High Court, New Delhi
		658.08	Jan 1999- Dec 2004	High Court of Punjab & Haryana.
		27.19	Jan 05-June 05	CESTAT, Delhi.
		7.57	2000-01	CESTAT, Delhi.
		2,960.81	July 05- Dec 07	CESTAT, Delhi.
		46.99	July 05- Dec 07	CESTAT, Delhi.
		57.14	Sep 94- March 96	Commissioner of Central Excise, Rohtak.
		7.63	1994-95	Add. Commissioner of Central Excise, Rohtak.
		0.02	Jan 10- June 10	CESTAT, Delhi
		6.12	July 95- Sep 95	Joint Commissioner of Central Excise, Rohtak
		290.84	2006-07	CESTAT, Delhi
		0.12	July 12 to Feb 13	Dy., Commissioner, Hisar
		3,256.20	May 08 - March 11	Commissioner Appeal, Bhubaneswar
		31.84	May 08 - March 11	Commissioner Appeal, Bhubaneswar
		437.86	Aug-08 to Dec-10	CESTAT, Delhi
Custom Act, 1962	Custom Duty	5.21	Jul-09	Revision Authority (Jt Secy)
		1.02	April-07 to Oct-2007	High Court, Punjab & Haryana
		4.74	May-07 to Oct-2007	High Court, Punjab & Haryana
		11.90	Jan- 95 to June- 96	Joint Commissioner, Rohtak
		0.39	June, 96 to July 96	Commissioner (Appeal), Delhi-III, Gurgaon
		18.52	Jul-09, Aug-09	Dy Comm, Hisar
		145.81	July 2011 - Sept 2011	Commissioner (Appeal), Delhi-III, Gurgaon
		10.00	2013-14	CESTAT, Delhi
Finance Act, 1994	Service Tax	522.83	Dec 03- March-06	CESTAT, Delhi
		53.83	2005-06 to 2008-09	CESTAT, Delhi
		9.79	2005-06 to 2010-11	CESTAT, Delhi
		15.29	Oct.08 to Dec.08	CESTAT, Delhi

Name of the statute	Nature of the Dues	Amount (₹ In lacs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales Tax	3.00	1993-94	High Court of Punjab & Haryana
		2,479.44	2005-06 to 2007-08	H'ble High Court Orissa, Cuttack
Income Tax Act, 1961	Income Tax	254.05	2004-05, 2009-10	CIT (A) -VIII, New Delhi
		517.52	2002-03 & 2003-04	High Court, New Delhi
		3,429.34	2004-05, 2005-06, 2007-08	ITAT, Delhi
Entry Tax Act, 1999	Entry Tax	4,600.91	2006-07 To 2012-13	H'ble Supreme Court
		8,210.13	2006-11	H'ble High Court Orissa, Cuttack

Above does not include show cause notice.

10. The company has accumulated losses at the end of the financial year and also its net worth has been eroded more than 50%. Further company has incurred cash losses during the year and also incurred cash losses in the immediately preceding financial year.
11. In our opinion and according to information and explanations given to us, the company had defaulted in repayment of dues (including interest, installment & letter of credits payments) to banks at various days during the year. There is no default in repayment of dues to financial institutions/ debenture holders during the year. The maximum amount of default on a particular date was ₹ 30,677.75 lacs and maximum delay (no. of days) noticed for a particular bank was 85 days (refer foot note to Note no. 10 & Note no. 33 for continue default and read with Note no. 32).
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the company on the basis of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of Clause 4 (xiii) of The Order are not applicable to the Company.
14. In our opinion, and according to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of Clause 4 (xiv) of The Order are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. (Read with Note no. 27(C))
16. In our opinion and on the basis of information and explanations given to us, the term loans raised during the year by the Company were applied at the close of the financial year for the purposes for which the loans were obtained where such end use has been stipulated by the lender.
17. On the basis of information and explanations given to us, to the extent of ₹ 61,991.13 lacs fund raised on short-term basis have been used for long-term investments (read with Note no. 32).
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. (This is to read with Note no. 34)
19. On the basis of the records made available to us, the Company has created necessary security and charge in respect of debentures outstanding at the year end.
20. The company has not raised any money through public issue during the year.
21. During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For **LODHA & CO.**
Chartered Accountants
FRN 301051E

(N.K. LODHA)
Partner
Membership No. 85155

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
FRN 000756N

(ARUN K. TULSIAN)
Partner
Membership No. 89907

Place: New Delhi
Date : 29th May, 2014

DESCRIPTION	NOTE NO	(₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS			
Share Capital	2	4,623.71	4,081.55
Reserves and Surplus	3	14,733.92	143,503.37
		19,357.63	147,584.92
NON-CURRENT LIABILITIES			
Long-term borrowings	4	850,855.53	876,435.33
Deferred tax liabilities (net)	5	-	1,592.61
Other Long-term liabilities	6	27,650.27	26,197.62
Long - term provisions	7	740.14	952.64
		879,245.94	905,178.20
CURRENT LIABILITIES			
Short-term borrowings	8	240,297.83	202,312.22
Trade payables	9	283,948.69	291,271.08
Other current liabilities	10	146,069.84	105,999.34
Short-term provisions	7	344.76	283.59
		670,661.12	599,866.23
TOTAL		1,569,264.69	1,652,629.35
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	11		
Tangible assets		941,811.51	980,416.08
Intangible assets		1,951.21	292.03
Capital work-in-progress		15,338.39	14,590.34
Intangible assets under development		-	846.76
Non-current investments	12	16,976.76	17,111.20
Long-term loans and advances	13	14,209.66	15,576.14
Other non-current assets	14	1,211.28	1,772.89
		991,498.81	1,030,605.44
CURRENT ASSETS			
Current investments	12	69.19	219.54
Inventories	15	330,487.52	327,642.11
Trade receivables	16	168,935.82	190,901.73
Cash and Bank Balances	17	4,865.66	8,778.94
Short-term loans and advances	13	73,005.25	94,032.44
Other current assets	18	402.44	449.15
		577,765.88	622,023.91
TOTAL		1,569,264.69	1,652,629.35
Significant Accounting Policies	1		

Notes referred to above are an integral part of the financial statements

AUDITOR'S REPORT :

In terms of our report of even date annexed hereto.

For LODHA & CO.
Chartered Accountants

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants

RATAN JINDAL
Chairman & Managing Director

JITENDER P. VERMA
Executive Director - Finance

(N.K. LODHA)
Partner
Membership No. 85155
FRN 301051E

(ARUN K. TULSIAN)
Partner
Membership No. 89907
FRN 000756N

JITENDRA KUMAR
Company Secretary

PLACE : New Delhi
DATED : 29th May, 2014

DESCRIPTION	NOTE NO	(₹ in Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
INCOME			
Revenue from operations (Gross)	19	1,297,273.37	1,112,188.27
Less : Excise Duty on sales		101,969.45	83,567.33
Revenue from operations (Net)		1,195,303.92	1,028,620.94
Other income	20	4,005.88	4,413.15
TOTAL		1,199,309.80	1,033,034.09
EXPENSES			
Cost of materials consumed	21	786,250.69	719,673.12
Purchases of Trading Goods	21A	2,631.00	2,629.51
Changes in inventories of finished goods, work in progress and Trading goods	22	11,963.28	(36,382.97)
Employee benefits expenses	23	23,932.56	24,632.61
Finance costs	24	123,470.10	99,029.31
Depreciation and amortization expense	25	68,766.00	70,130.96
Other expenses	26		
Manufacturing Expenses		226,936.54	206,551.20
Administrative Expenses		15,079.34	12,943.88
Selling expenses		39,944.49	37,076.41
TOTAL		1,298,974.00	1,136,284.03
Profit/(Loss) before exceptional and extraordinary items and tax		(99,664.20)	(103,249.94)
Exceptional items - Gain/(Loss)	29	(41,689.93)	(16,696.06)
Profit/(Loss) before tax		(141,354.13)	(119,946.00)
Tax expense			
Provision for Current Tax		7.38	-
Provision for Deferred Tax		(1,592.61)	(37,864.20)
Previous Year Taxation Adjustment		(760.01)	-
Profit/(Loss) for the Year		(139,008.89)	(82,081.80)
Earnings per share (in ₹)	52		
Basic		(68.03)	(43.15)
Diluted		(68.03)	(43.15)
Significant Accounting Policies	1		

Notes referred to above are an integral part of the financial statements

AUDITOR'S REPORT :

In terms of our report of even date annexed hereto.

For LODHA & CO.
Chartered Accountants

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants

RATAN JINDAL
Chairman & Managing Director

JITENDER P. VERMA
Executive Director - Finance

(N.K. LODHA)
Partner
Membership No. 85155
FRN 301051E

(ARUN K. TULSIAN)
Partner
Membership No. 89907
FRN 000756N

JITENDRA KUMAR
Company Secretary

PLACE : New Delhi
DATED : 29th May, 2014

(₹ in Lacs)

DESCRIPTION	For the year ended 31.03.2014	For the year ended 31.03.2013
A. Cash Inflow / (Outflow) from Operating Activities		
Net Profit/(Loss) Before Tax & Exceptional Items	(99,664.20)	(103,249.93)
Adjustment for:		
Depreciation/Amortisation	68,766.00	70,130.96
Provision for Doubtful Debts & Advance / Bad Debts	1,498.54	1,477.15
Previous Year Adjustments (Liability Written Back)	(678.11)	(135.59)
Mine Development Expenditure Written Off	309.59	309.59
Expenses on Employee Stock Option Scheme	(59.01)	61.44
Finance Cost	123,470.10	99,029.31
Interest Income	(4,250.79)	(3,868.69)
Dividend Income	(0.51)	(1.34)
(Profit) / Loss on Sale/Diminution of Investments (Net)	(4.73)	(155.70)
(Profit) / Loss on Sale/Discard of Fixed Assets (Net)	327.30	(272.07)
Operating Profit Before Working Capital Changes	89,714.18	63,325.13
Adjustment for:		
(Increase) / Decrease in Inventories	(2,845.41)	(57,366.22)
(Increase) / Decrease in Trade Receivables	21,170.17	(40,343.25)
(Increase) / Decrease in Loans & Advances	19,019.73	(23,560.28)
Increase / (Decrease) in Liabilities and Provisions	1,021.95	85,874.81
(Above includes (a) Long Term Liabilities, (b) Provisions (c) Trade payables)		
Cash Inflow from Operating Activities Before Exceptional Items	128,080.62	27,930.19
Exceptional items - Gain/(Loss)	(41,689.93)	(16,696.06)
Income Tax (Advance) / Refund (Net)	1,994.65	(753.84)
Net Cash Inflow from Operating Activities	88,385.34	10,480.29
B. Cash Inflow / (Outflow) from Investing Activities		
Sale/Redemption/(purchase) of Investment (Net)	289.51	(184.84)
Loan repaid from Subsidiaries	-	1,411.51
Capital Expenditure	(13,132.60)	(6,831.05)
Sales Proceeds of Fixed Assets Sold	337.28	537.93
Dividend Received	0.51	1.34
Interest Received	3,575.98	2,990.46
Net Cash Outflow from Investing Activities	(8,929.32)	(2,074.65)

DESCRIPTION	(₹ in Lacs)	
	For the year ended 31.03.2014	For the year ended 31.03.2013
C. Cash Inflow / (Outflow) from Financing Activities		
Dividend Paid	(24.14)	(19.50)
Interest and Finance Charges Paid	(112,849.18)	(39,790.04)
Debt (serviced)/refundable under CDR	27.85	(544.81)
Proceeds from / (Repayment of) Borrowings (net)	19,224.13	14,149.47
Issue of Equity Share/Cumulative Compulsory Convertible Preference Shares	10,000.01	10,027.00
Net Cash Outflow from Financing Activities	(83,621.33)	(16,177.88)
Net Changes in Cash & Cash Equivalents	(4,165.31)	(7,772.24)
Cash & Cash Equivalents (Closing Balance)	4,884.44	9,049.75
Cash & Cash Equivalents (Opening Balance)	9,049.75	16,821.99
Net Changes in Cash & Cash Equivalents	(4,165.31)	(7,772.24)
Notes :		
1) Cash and cash equivalents includes :-		
Cash, Cheques and Stamps in hand	985.66	1,827.62
Balance with Banks	3,898.70	7,222.07
Puja & Silver Coins	0.08	0.06
	4,884.44	9,049.75
2) Increase in Paid Up Capital and Securities Premium on account of Conversion of Foreign Currency Convertible Bonds are cash neutral and as such not considered in this statement.		
3) Previous year's figures have been regrouped and rearranged wherever considered necessary.		

AUDITOR'S REPORT :

In terms of our report of even date annexed hereto.

For LODHA & CO.
Chartered Accountants

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants

RATAN JINDAL
Chairman & Managing Director

JITENDER P. VERMA
Executive Director - Finance

(N.K. LODHA)
Partner
Membership No. 85155
FRN 301051E

(ARUN K. TULSIAN)
Partner
Membership No. 89907
FRN 000756N

JITENDRA KUMAR
Company Secretary

PLACE : New Delhi
DATED : 29th May, 2014

Note No - 1 Significant Accounting Policies

i) Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention, on accrual basis of accounting, in accordance with the generally accepted accounting principles as applicable, accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

ii) Use of Estimates

The preparation of financial statements requires use of estimates and assumptions to be made that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

iii) A) Fixed Assets & Depreciation

a) Fixed Assets

Fixed Assets are stated at their cost of acquisition / construction less accumulated depreciation and impairment losses. Cost comprises of all cost, net of income (if any), incurred to bring the assets to their present location and working condition and other related overheads till such assets are ready for intended use. Assets vested in the company pursuant to the scheme of Arrangement & De-merger are stated at their fair market values based on the valuation report of financial consultant.

b) Depreciation and Amortisation

Depreciation on Fixed Assets is provided on Straight Line Method basis at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 (except on power plant where depreciation is provided @ 7.84% considering the estimated useful life). For assets acquired pursuant to the Scheme of Arrangement and Demerger where the residual life of assets are estimated at less than that worked out on the basis of rates under Schedule XIV, the same are depreciated over their respective residual lives.

c) Assets not owned by the Company are amortised over a period of ten years.

d) Lease Hold Assets are amortised over the period of lease.

e) Classification of plant & machinery into continuous and non-continuous is made on the basis of technical assessment and depreciation is provided for accordingly.

B) Intangible Assets

Intangible Assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use.

Intangible Assets are amortised over the expected duration of benefit or 10 years, whichever is lower.

C) Impairment

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

iv) Revenue Recognition

Revenue is recognized when it is earned and no significant uncertainty exists to its realization or collection.

Revenue from sale of goods: is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred and no effective ownership is retained.

Revenue from other activities: is recognized based on the nature of activity, when consideration can be reasonably measured. Certain claims like those relating to Railways, Insurance, Electricity, Customs, and Excise are accounted for on acceptance/when there is a reasonable certainties.

(v) Borrowing Costs

Borrowing costs attributable to the acquisition /construction of qualifying assets are capitalized as part of cost of such assets and other borrowing costs are recognized as expense in the period in which these are incurred.

vi) Foreign Currency Transactions

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled are translated at year end rate.

The difference in translation of Monetary assets and liabilities and realized gains and losses on foreign exchange transaction are recognized in profit & loss account except of loan/liability related with acquisition of depreciable fixed asset where the same is treated as cost of the asset.

Foreign currency gain/loss relating to translation of net investment in non-integral foreign operation is recognized in the foreign currency translation reserve.

Premium/Discount on forward foreign exchange contracts are pro-rated over the period of contract.

vii) Investments

Long term investments are carried at cost. When there is a decline other than temporary in their value, the carrying amount is reduced on an individual investment basis and decline is charged to the Profit & Loss Account. Appropriate adjustment is made in carrying cost of investment in case of subsequent rise in value of investments.

Current Investments are carried at lower of cost or market value.

viii) Valuation of Inventories

Inventories are valued at the lower of cost and net realisable value except scrap which is valued at net realisable value. The cost is computed on Weighted Average basis. Finished goods and Work in Progress includes cost of conversion and other overheads incurred in bringing the inventories to their present location and condition.

ix) Employee Benefits

a) Short term Employee Benefits

Short term employee benefits are recognized during the year in which the services have been rendered and are measured at cost.

b) Defined Contribution Plans

The Provident Fund and Employee's State Insurance are defined contribution plans and the contributions to the same are expensed in the Profit and Loss Account during the year in which the services have been rendered and are measured at cost.

c) Defined Benefit Plans

The Provident Fund (Funded), Leave Encashment and Gratuity are defined benefit plans. The Company has provided for the liability at year end based on actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses are recognized as and when incurred.

d) Employee Stock Option Scheme

The excess of market price on the date of grant over the exercise price is recognized as deferred compensation expenses amortized over the vesting period on a straight- line basis, as per the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by the Securities and Exchange Board of India.

x) Miscellaneous Expenditure

- a) Preliminary expenses are written off over the period of ten years.
- b) Bonds issue expenses and premium on redemption are written off over the expected duration of benefit or life of the bonds, whichever is earlier.
- c) Mines development expenses incurred for developing and preparing new mines are written off over the period of expected duration of benefits or ten years, whichever is earlier.

xi) Taxation

Provision is made for income-tax liability in accordance with the provisions of Income-Tax Act, 1961.

Deferred tax resulting from timing differences between book profits and tax profits is accounted for applying the tax rates and laws that have been enacted or substantively enacted till the Balance Sheet date.

Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable/virtual certainty that the assets can be realized in future.

xii) Management of Metal Price Risk/ Derivatives

Risks associated with fluctuations in the price of the raw material metal are mitigated by hedging on futures/option market. The results of metal hedging contracts/transactions are recorded upon their settlement as part of raw material cost.

Risk of movements in the interest rates, foreign currencies are hedged by derivatives contract such as Interest Rate Swaps, Currency Swaps, Forward Contracts and Currency Options.

All outstanding derivative instruments at year end are marked-to-market by type of risk and the resultant losses, if any, are recognized in the Profit & Loss Account/Pre-operative expenses, gains are ignored.

xiii) Contingent Liabilities

Contingent liabilities, if material, are disclosed by way of notes.

NOTE DESCRIPTION NO	(₹ in Lacs)	
	As at 31.03.2014	As at 31.03.2013
2 SHARE CAPITAL		
AUTHORISED		
445,000,000 (475,000,000) Equity Shares of ₹2/- each	8,900.00	9,500.00
30,000,000 (Nil) 0.10% Cumulative Compulsory Convertible Preference Shares of ₹ 2/- each	600.00	-
	9,500.00	9,500.00
ISSUED, SUBSCRIBED AND PAID UP		
215,375,005 (204,077,547) Equity Shares of ₹2/-each fully paid up	4,307.50	4,081.55
15,810,440 (Nil) 0.10% Cumulative Compulsory Convertible Preference Shares of ₹2/- each fully paid up	316.21	-
TOTAL - SHARE CAPITAL	4,623.71	4,081.55

(a) RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR	EQUITY SHARES		PREFERENCE SHARES	
	31.03.2014 No. of Shares	31.03.2013 No. of Shares	31.03.2014 No. of Shares	31.03.2013 No. of Shares
Shares outstanding at the beginning of the Year	204,077,547	189,505,625	-	-
Shares issued during the Year				
On Conversion of Foreign Currency Convertible Bonds	547,458	1,021,922	-	-
On Issue of Shares on Preferential basis	10,750,000	13,550,000	15,810,440	-
Shares outstanding at the end of the Year	215,375,005	204,077,547	15,810,440	-
5,492,833 (4,945,375) Equity shares of ₹2/- each fully paid up have been allotted to the holders of 3,010 (2,710) Foreign Currency Convertible Bonds of US \$ 5000/- each at predetermined (as per scheme) conversion rate of ₹119.872 each during the last five years.				

(b) (i) TERMS/RIGHT ATTACHED TO EQUITY SHARES

The company has only one class of equity shares having a par value of ₹2/- per share. Each shareholder is eligible for one vote per equity share held [other than the shares represented by Regulation S Global Depository Shares (the "GDSs") issued by the Company whose voting rights are subject to certain conditions and procedure as prescribed under the Regulation S Deposit Agreement]. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and also has equal right in distribution of Profit/Surplus in proportions to the number of equity shares held by the shareholders.

As on 31st March 2014, 8,802,167 GDSs (8,802,167 GDSs) with 17,604,334 underlying equity shares (17,604,334 equity shares) were outstanding. Each GDS represents 2 underlying equity shares of the Company.

(ii) TERMS/RIGHTS ATTACHED TO CUMULATIVE COMPULSORY CONVERTIBLE PREFERENCE SHARES (CCCPS)

On 31st March, 2014, the Company has issued & allotted 15,810,440 number 0.10% Cumulative Compulsory Convertible Preference Shares (CCCPS) of ₹2/- each. The holder of the CCCPS shall have an option to apply for and be allotted one Equity Share of face value of ₹2/- of the Company per CCCPS at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment. The unconverted CCCPS shall compulsorily get converted into equity shares at the end of 18 months from the date of allotment. These CCCPS are subject to the provisions of Memorandum and Articles of Association of the Company. The Equity Shares arising on conversion of CCCPS shall rank pari passu inter se with the then existing Equity Shares of the Company in all respect, including dividend. The holder of CCCPS shall have a right to vote only on resolution placed before the Company which directly affect the rights attached to his preference share.

(c) (i) EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER

NAME OF THE SHAREHOLDER	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	% holding	No. of Shares	% holding
JSL Overseas Holding Limited (Formerly Jindal Overseas Holdings Limited)	27,700,000	12.86%	27,700,000	13.57%
Reliance Capital Trustee Co. Ltd. A/C Reliance Diversified Power Sector Fund	11,872,681	5.51%	11,939,931	5.85%
Citigroup Global Markets Mauritius Private Ltd.	11,904,296	5.53%	11,904,296	5.83%

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
3	RESERVES AND SURPLUS		
(a)	CAPITAL REDEMPTION RESERVE	2,000.00	2,000.00
(b)	SECURITIES PREMIUM RESERVE		
	As per last account	90,949.25	79,988.69
	Add : On Conversion of Foreign Currency Convertible Bonds	645.30	1,204.56
	Add : On Issue of Equity Shares	3,832.38	9,756.00
	Add : On Issue of 0.10% Cumulative Compulsory Convertible Preference Shares	5,636.42	-
		101,063.35	90,949.25
(c)	EMPLOYEE STOCK OPTION OUTSTANDING		
	Employee Stock Option Outstanding	485.88	640.74
	Less : Deferred Employees Compensation Expenditure	19.06	114.91
		466.82	525.83
(d)	DEBENTURE REDEMPTION RESERVE		
	As per last account	6,419.84	6,796.96
	Less : Written Back during the Year	313.59	377.12
		6,106.25	6,419.84
(e)	GENERAL RESERVE		
	As per last account	43,020.99	62,856.91
	Less : Towards deficit in Statement of Profit and Loss	43,020.99	19,835.92
		-	43,020.99
(f)	FOREIGN CURRENCY TRANSLATION RESERVE	610.99	426.64
(g)	CENTRAL/STATE SUBSIDY RESERVE	39.27	39.27
(h)	AMALGAMATION RESERVE	121.55	121.55
(i)	SURPLUS/(DEFICIT) IN STATEMENT OF PROFIT AND LOSS		
	As per Last Account	-	61,868.76
	Add : Profit/ (Loss) after Tax for the Year	(139,008.89)	(82,081.80)
	Add : Debenture Redemption Reserve Written Back	313.59	377.12
		(138,695.30)	(19,835.92)
	Less : Being Deficit, Set off from General Reserve	43,020.99	19,835.92
	Net Surplus/(Deficit) in the Statement of Profit and Loss	(95,674.31)	-
	TOTAL - RESERVE & SURPLUS	14,733.92	143,503.37

(₹ in Lacs)

NOTE NO	DESCRIPTION	Non -Current Portion		Current Maturity	
		As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
4	LONG-TERM BORROWINGS				
	SECURED				
	(a) DEBENTURES				
	Redeemable Non-Convertible Debentures	23,675.00	24,675.00	750.00	190.00
		23,675.00	24,675.00	750.00	190.00
	(b) TERM LOANS FROM BANKS				
	Rupee Term Loans	576,045.23	567,949.47	22,759.89	5,513.38
	Foreign Currency Loans	141,527.60	132,757.20	4,996.83	4,184.90
		717,572.83	700,706.67	27,756.72	9,698.28
	(c) FUNDED INTEREST TERM LOANS				
	From Banks	97,297.28	100,394.37	1,701.39	397.77
	From Others	6,213.78	6,372.68	116.26	29.83
		103,511.06	106,767.05	1,817.65	427.60
	(d) BUYER CREDIT AGAINST CAPITAL GOODS				
	In Foreign Currency	3,789.58	41,302.36	-	-
		3,789.58	41,302.36	-	-
	(e) CAR LOAN FROM BANKS	-	-	-	1.87
	TOTAL - SECURED	848,548.47	873,451.08	30,324.37	10,317.75
	UNSECURED				
	(f) BONDS				
	Foreign Currency Convertible Bonds	-	814.35	-	-
		-	814.35	-	-
	(g) PUBLIC FIXED DEPOSITS	2,122.49	1,762.16	356.57	772.25
	(h) LONG TERM MATURITIES OF FINANCE LEASE OBLIGATIONS	184.57	407.74	223.17	199.53
	TOTAL - UNSECURED	2,307.06	2,984.25	579.74	971.78
	Less : Amount Disclosed under the head Other Current Liabilities			30,904.11	11,289.53
	TOTAL - LONG TERM BORROWINGS	850,855.53	876,435.33	-	-

Secured Borrowings

[read with Note no. 32 and 40 (B)]

- a) 9.75% *Redeemable Non-Convertible Debentures (* now carrying floating rate of interest) of ₹1,000,000 each, amounting to ₹24,425.00 Lacs (₹24,865.00 Lacs) are redeemable in quarterly installments of, ₹250.00 Lacs each during 2014-15 to 2016-17 (excluding already paid first installment of ₹250.00 Lacs), ₹812.50 Lacs each during 2017-18 and thereafter ranging from ₹1,000.00 Lacs to ₹1,187.50 Lacs during 2018-19 to 2021-22. Debentures are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished good, raw materials, work-in -progress, consumable stores and spares, book debts, bills receivable.
- b) (i) Rupee Term Loans from banks amounting to ₹205,483.70 Lacs (₹ 207,481.16 Lacs) are repayable in quarterly installments of, ₹2,082.31 Lacs each during 2014-15 to 2016-17, ₹ 6,767.51 Lacs each during 2017-18 and thereafter ranging from ₹8,329.24 Lacs to ₹9,890.97 Lacs during 2018-19 to 2021-22. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (ii) Rupee Term Loans from banks amounting to ₹274,367.47 Lacs (₹248,021.62 Lacs) are repayable in quarterly installments of, ₹2,900.00 Lacs each during 2014-15 to 2016-17, ₹8,700.00 Lacs each during 2017-18 and thereafter ranging from ₹10,875.00 Lacs to ₹15,950.00 Lacs during 2018-19 to 2021-22. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (iii) Rupee Term Loan from banks amounting to ₹49,108.75 Lacs (₹47,456.88 Lacs) is repayable on 31st March, 2022. The loan is secured by second pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.

- (iv) Rupee Term Loans from banks amounting to ₹69,845.20 Lacs (₹70,503.19 Lacs) are repayable in quarterly installments of, ₹707.66 Lacs each during 2014-15 to 2016-17, ₹2,299.90 Lacs each during 2017-18 and thereafter ranging from ₹2,830.65 Lacs to ₹3,361.40 Lacs during 2018-19 to 2021-22. The loans are Secured by second pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (v) Foreign Currency Loans from banks amounting to ₹7,261.96 Lacs (₹6,646.10 Lacs) are repayable in quarterly installments of, ₹73.35 Lacs each during 2014-15 to 2016-17, ₹220.06 Lacs each during 2017-18 and thereafter ranging from ₹275.07 Lacs to ₹403.44 Lacs during 2018-19 to 2021-22. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (vi) Foreign Currency Loans from banks amounting to ₹134,071.00 Lacs (₹122,152.50 Lacs) are repayable in structured installments of ₹561.75 Lacs in 2014-15, ₹15,541.75 Lacs in 2015-16, ₹29,772.75 Lacs in 2016-17, ₹22,470.00 Lacs in 2017-18 and ₹21,908.25 Lacs each during 2018-19 to 2020-21. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (vii) Foreign Currency Loans from bank amounting to ₹5,191.47 Lacs (₹8,143.50 Lacs) are repayable in 14 equal monthly installments of ₹345.14 Lacs each from April, 2014 and balance one installment of ₹359.52 Lacs (in total 15 nos.). The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and Second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- c) (i) Funded Interest Term Loans (I) from banks amounting to ₹45,579.11 Lacs (₹46,394.00 Lacs) (including ₹3,782.38 Lacs (₹3,850.96 Lacs) from Financial Institutions) are repayable in quarterly installments of, ₹464.96 Lacs each during 2014-15 to 2016-17 (excluding first installment amounting to ₹42.17 Lacs paid), ₹1,511.10 Lacs each during 2017-18 and thereafter ranging from ₹1,859.82 Lacs to ₹2,208.54 Lacs during 2018-19 to 2021-22. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (ii) Funded Interest Term Loans (II) from banks amounting to ₹59,749.60 Lacs (₹60,800.65 Lacs) (including ₹2,547.66 Lacs (₹2,551.54 Lacs) from Financial Institutions) are repayable in 20 quarterly installments of ₹1,899.96 Lacs each starting from 31st October 2015 till 31st July 2017, ₹3,799.93 Lacs each starting from 31st October 2017 and ending on 31st July 2020. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- d) Buyers Credit amounting to ₹3,789.58 Lacs (₹41,302.35 Lacs) are backed by letter of undertaking issued by Rupee Term Loan lenders under a sub limit of their respective Rupee Term Loans. Upon final maturity date (i.e. ₹3,789.58 Lacs in year 2014-15) the respective buyers credit amount would be converted into respective lender Rupee Term Loan to the extent of their available undisbursed amount. These Buyers Credit (being a sub limit) are secured through their respective Rupee Term Loan by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (a,b,c,d) Above Term Loans amounting to ₹739,610.38 Lacs (including Funded Interest Term Loan ₹105,328.71 Lacs, Debentures amounting to ₹24,425.00 Lacs and Buyers Credit amounting to ₹3,789.58 Lacs) are also secured by additional securities as mentioned in Note No 32 (iv).
- e) Secured by way of hypothecation of vehicles purchased there under and payable for the terms of the agreement.

Unsecured Borrowings

- (f) In December 2010, the Foreign Currency Convertible Bonds (FCCB) were restructured with zero coupon and termed as "Convertible Bonds due December 24, 2019". Unless previously redeemed, repurchased and cancelled, or converted, these Bonds were redeemable at 176.28% of their principal amount on 24th December, 2019. These Bonds at the option of the holder, may be converted into Equity Shares of face value of ₹2/- each, at a pre-determined price of ₹119.872/- per share.
- During the year, the company has received conversion notice for entire remaining 300 (560) FCCBs amounting to USD 1.50million (USD 2.80 million) and subsequently the company has allotted 547,458 (1,021,922) fully paid equity shares. Thus, the outstanding FCCBs as on 31st march, 2014 were Nil.
- (g) Fixed deposits from public have a maturity period of 2 and 3 years from the date of deposits as the case may be and repayable as & when due.

NOTE NO	DESCRIPTION			(₹ in Lacs)
		Deferred Tax Liability/Asset as at 31.03.2013	Charge/(Credit) for the Year	Deferred Tax Liability/Asset as at 31.03.2014
5	DEFERRED TAX LIABILITY (NET)			
(a)	DEFERRED TAX LIABILITY			
	Difference between book & tax depreciation	112,975.99	6,234.09	119,210.08
	Total Deferred Tax Liability	112,975.99	6,234.09	119,210.08
(b)	DEFERRED TAX ASSETS			
	Disallowance under Section 43B	38,098.13	(3,476.14)	34,621.99
	Provision for doubtful debts & advances	513.51	228.02	741.53
	Provisions for Employee Benefit	396.33	(49.10)	347.23
	Provisions for MTM Losses & Diminution in Investments	24.59	13.83	38.42
	Brought forward loss/Unabsorbed Depreciation	72,350.82	11,110.09	83,460.91
	Total Deferred Tax Assets	111,383.38	7,826.70	119,210.08
	DEFERRED TAX LIABILITY (NET)	1,592.61	(1,592.61)	-

- considering the prudence and losses in the past three years, no deferred tax assets (net) have been created.

NOTE NO	DESCRIPTION			(₹ in Lacs)
		As at 31.03.2014	As at 31.03.2013	As at 31.03.2013
6	OTHER LONG TERM LIABILITIES			
	Security Deposits	850.00		850.00
	Interest accrued but not due on borrowings	138.52		46.73
	Creditors for Capital Expenditure	15,954.30		14,073.57
	Other Outstanding Liabilities *	10,707.45		11,227.32
	TOTAL - OTHER LONG TERM LIABILITIES	27,650.27		26,197.62

* payable to a bank in 2 and 36 monthly installments (total 38 installments) of ₹134.97 Lacs and ₹342.70 Lacs (including interest) respectively.

NOTE NO	DESCRIPTION	(₹ in Lacs)			
		Long-Term		Short-Term	
		As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
7	PROVISIONS				
	For Employee Benefits	740.14	952.64	344.76	283.59
	TOTAL - PROVISIONS	740.14	952.64	344.76	283.59

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
8	SHORT TERM BORROWINGS		
	SECURED		
	(a) Working Capital Facilities from Bank	175,072.96	32,708.19
	(b) Buyer Credit in Foreign Currency - Against Working Capital	64,668.31	169,318.57
	TOTAL - SECURED	239,741.27	202,026.76
	UNSECURED		
	(c) Public Fixed Deposits	556.56	285.46
	TOTAL - UNSECURED	556.56	285.46
	TOTAL - SHORT TERM BORROWINGS	240,297.83	202,312.22

Secured Borrowings

[read with Note no. 32 and 40 (B)]

- (a) Working Capital Facilities are secured by way of hypothecation and/or pledge of current assets namely finished good, raw material, work in progress, consumable stores and spares, book debts, bill receivable and by way of second charge in respect of other moveable and immoveable properties of the Company. Working Capital Facility is repayable on demand.
- (b) Buyer Credit Facility are secured by way of hypothecation and/or pledge of current assets namely finished good, raw material, work in progress, consumable stores and spares, book debts, bill receivable and by way of second charge in respect of other moveable and immoveable properties of the Company.
- (a,b) Working Capital facility from bank amounting to ₹1,70,901.17 Lacs and Working capital Buyers Credit amounting to ₹64,668,31 Lacs are also secured by additional securities as mentioned in Note No.32 (iv)

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
9	TRADE PAYABLES		
	Trade Payables (including Acceptances)		
	Dues to Micro and Small enterprises	239.82	75.30
	Dues to other than Micro and Small enterprises	283,708.87	291,195.78
	TOTAL - TRADE PAYABLES	283,948.69	291,271.08

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
10	OTHER CURRENT LIABILITIES		
	Current maturities of Long term Borrowings (Note no. 4)	30,680.94	11,090.00
	Current maturities of finance lease obligations (Note no. 4)	223.17	199.53
	Interest accrued but not due on borrowings	10,197.22	3,735.56
	Interest accrued and due on borrowings	3,175.42	-
	Advance from Customers	28,314.60	22,846.99
	Security Deposits from Agents/Dealers/Others	172.27	159.37
	Creditors for Capital Expenditure	10,616.78	12,450.78
	Application Money Refundable	157.65	7.85
	Other Outstanding Liabilities *	62,310.24	55,197.40
	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due		
	Unpaid dividend	58.30	82.44
	Unpaid matured deposits and interest accrued thereon	163.25	229.42
	TOTAL - OTHER CURRENT LIABILITIES	146,069.84	105,999.34

* Includes statutory dues.

* Includes ovedue amount of ₹269.94 Lacs (including interest of ₹182.60 Lacs) payable to a bank in two monthly instalments since 1st Feb., 2014.

(₹ in Lacs)

NOTE DESCRIPTION NO	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	AS AT 01.04.2013	ADDITIONS SALE/ ADJUSTMENT	AS AT 31.03.2014	AS AT 01.04.2013	DURING THE YEAR ADJUSTMENT	AS AT 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
11 FIXED ASSETS								
A TANGIBLE ASSETS								
Lease Hold Land	6,811.92	-	6,811.92	415.23	82.61	497.84	6,314.08	6,396.69
Free Hold Land *	8,502.49	130.28	8,632.77	-	-	-	8,632.77	8,502.49
Buildings **	142,227.64	379.92	142,607.56	13,000.51	4,337.11	-	17,337.62	125,269.94
Plant and Machinery ***	1,085,775.17	29,432.01	1,106,272.86	263,581.92	62,388.90	8,363.59	317,607.23	788,665.63
Electric Installation	15,184.99	137.57	15,322.42	4,355.45	855.53	0.02	5,210.96	10,111.46
Vehicles	2,710.65	123.37	2,619.86	1,416.58	213.85	125.72	1,504.71	1,115.15
Furniture and Fixtures	2,038.40	38.35	2,072.30	1,175.90	140.13	0.42	1,315.61	756.69
Office equipment	1,146.54	15.09	1,158.24	488.20	57.28	2.13	543.35	614.89
Power Line and Bay Extension	1,211.87	-	1,211.87	759.80	121.17	-	880.97	330.90
TOTAL TANGIBLE ASSETS	1,265,609.67	30,256.59	1,286,709.80	285,193.59	68,196.58	8,491.88	344,898.29	941,811.51
PREVIOUS YEAR	1,190,414.74	75,564.07	1,265,609.67	215,302.83	69,994.04	103.28	285,193.59	980,416.08
B INTANGIBLE ASSETS *****								
Technical Know How	1,369.18	-	1,369.18	1,121.04	136.90	-	1,257.94	111.24
Computer software	994.23	2,228.60	2,228.60	950.34	432.52	994.23	388.63	1839.97
TOTAL INTANGIBLE ASSETS	2,363.41	2,228.60	3,597.78	2,071.38	569.42	994.23	1,646.57	1,951.21
PREVIOUS YEAR	2,363.41	-	2,363.41	1,934.46	136.92	-	2,071.38	292.03
CAPITAL WORK IN PROGRESS *****								
INTANGIBLE ASSETS UNDER DEVELOPMENT								
							15,338.39	14,590.34
							-	846.76

NOTE

- * Include ₹953.05 Lacs (₹953.05 Lacs) jointly owned with other body corporate with 50% share.
 ** Include ₹308.77 Lacs (₹247.90 Lacs) jointly owned with other body corporate with 50% share.
 *** Include Plant & machinery acquired on Lease amounting to ₹1,174.23 Lacs (₹1,171.73 Lacs) and depreciation thereon during the year ₹62.04 Lacs (₹61.55 Lacs)
 **** Include Project Inventory ₹1,389.18 Lacs (₹2,131.62 Lacs).
 ***** Intangible Assets are amortised as under:
 Technical Know How 10 Years
 Software 5 Years

(₹ in Lacs)

NOTE DESCRIPTION NO	As at 31.03.2014			As at 31.03.2013		
	Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
12 INVESTMENTS						
NON - CURRENT INVESTMENTS						
LONG TERM INVESTMENTS - AT COST						
A Equity Shares Fully Paid Up -Trade Unquoted						
MJSJ Coal Limited #	8,559,000	10	855.90	8,559,000	10	855.90
JSL Energy Limited	1,000	10	0.10	1,000	10	0.10
Arian Resources Corp. (Formerly Golden Touch Resources Corporation)	111,102		179.59	555,512		179.59
Jindal Synfuels Limited \$	100,000	10	10.00	-	-	-
TOTAL (A)			1,045.59			1,035.59
B Equity Shares Fully Paid Up of Subsidiary Company - Trade Unquoted						
Jindal Stainless Steelway Limited @	14,061,667	10	2,581.25	14,061,667	10	2,581.25
PT. Jindal Stainless Indonesia @	12,499,900	USD 1	5,468.38	12,499,900	USD 1	5,468.38
JSL Architecture Limited @	4,100,100	10	410.01	4,100,100	10	410.01
JSL Lifestyle Limited	17,795,600	10	2,051.39	17,795,600	10	2,051.39
Green Delhi BQS Limited	51,000	10	5.10	51,000	10	5.10
JSL Media Limited	49,970	10	5.00	49,970	10	5.00
JSL Logistics Limited (Wholly owned subsidiary)	50,000	10	5.00	50,000	10	5.00
Jindal Stainless UK Limited (Wholly owned subsidiary)	100,000	GBP 1	77.20	100,000	GBP 1	77.20
Jindal Aceros Inoxidables S.L. (Wholly owned subsidiary)	20,000	EURO 1	13.59	20,000	EURO 1	13.59
JSL Group Holdings Pte. Limited (Wholly owned subsidiary)	6,657,565	SGD 1	2,201.18	6,657,565	SGD 1	2,201.18
Jindal Stainless FZE (Wholly owned subsidiary)	6	AED 1000000	723.80	6	AED 1000000	723.80
Jindal Stainless Madencilik Sanayi Ve Ticaret A.S.	4,499,700	YTL 1	1,601.60	4,499,700	YTL 1	1,601.60
Iberjindal S.L.	650,000	EURO 1	426.36	650,000	EURO 1	426.36
TOTAL (B)			15,569.86			15,569.86
C Govt./Semi Govt. Securities - Non Trade						
12.40% Government of India Stocks	-	-	-	40,000	100	41.14
8.57% Andhra Pradesh SDL 2020	220,000	100	222.48	220,000	100	222.48
8.40% Transmission Corp. of A.P. Limited	-	-	-	10	1,000,000	103.40
7.64% KSFC 2018	10	1,000,000	97.71	10	1,000,000	97.71
7.50% Bank of India	4	1,000,000	40.00	4	1,000,000	40.00
National Savings Certificate *			1.12			1.02
TOTAL (C)			361.31			505.75
TOTAL NON CURRENT INVESTMENT			16,976.76			17,112.20

(₹ in Lacs)

NOTE DESCRIPTION NO	As at 31.03.2014			As at 31.03.2013		
	Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
CURRENT INVESTMENTS						
(At lower of Cost and Fair Value)						
D Equity Shares fully paid up - Non Trade Quoted						
Bhartiya International Limited	22,025	10	44.80	94,884	10	190.10
Hotel LeelaVentures Limited	90,000	10	14.31	90,000	2	18.14
Central Bank of India	7,247	2	3.61	7,247	10	4.83
Adani Ports and Special Economic Zone Limited	7,355	2	6.47	7,355	2	6.47
TOTAL CURRENT INVESTMENT			69.19			219.54
TOTAL - INVESTMENTS			17,045.95			17,330.74

Investment in terms of agreement with Mahanadi Coalfield Limited & Others, as Investor.

\$ Investment in terms of agreement with Jindal Steel & Power Limited & Others, as Investor.

@ Undertaking for non disposing of Investment by way of Letter of Comfort given to banks against credit facilities/financial assistance availed by subsidiaries.

* Lodged with Government Authorities as Security.

Aggregate value of Current Investment	69.19	219.54
Aggregate value of unquoted investment	16,976.76	17,111.20
Aggregate value of quoted investment	69.19	219.54
Market value of quoted investment	76.51	223.27
Aggregate provision made for the diminution in value of Current investments	64.20	75.80

(₹ in Lacs)

NOTE DESCRIPTION NO	Long-Term		Short-Term	
	As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
13 LOANS AND ADVANCES				
(Unsecured, Considered good unless otherwise stated)				
Advance Recoverable in Cash or in kind or the value to be received (net of provision) [Net of Provision of ₹2,195.63 Lacs (₹1,492.83 Lacs)]	32.82	32.82	31,026.99	37,812.24
Capital Advances	2,635.53	4,073.90	-	-
Security Deposits [Net of Provision of ₹54.00 Lacs (₹54.00 Lacs)]	5,190.32	5,274.00	1,204.66	1,282.84
Loans & Advances to Related Parties	6,350.99	6,195.42	2,200.85	2,494.52
Prepaid Taxes [Net of Provision of ₹17,583.13 Lacs (₹37,543.97 Lacs)]	-	-	5,851.61	6,332.20
MAT Credit Entitlement *	-	-	6,832.78	6,832.78
Balance with Excise and Sale tax Authorities	-	-	25,888.36	39,277.86
TOTAL - LOANS AND ADVANCES	14,209.66	15,576.14	73,005.25	94,032.44

* The management is confident about the realisability of the same.

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
14	OTHER NON CURRENT ASSETS		
	Deposits with original maturity of more than 12 months	18.78	270.81
	Mines Development Expenses	1,192.50	1,502.08
	TOTAL - OTHER NON CURRENT ASSETS	1,211.28	1,772.89

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
15	INVENTORIES		
	(As taken, valued and certified by the Management)		
	(valued at lower of cost and net realizable value unless otherwise stated)		
	Raw Materials	99,615.60	92,956.05
	[Including material in Transit ₹56,288.88 Lacs (₹56,255.85 Lacs)]		
	Work in Progress	76,872.41	79,441.68
	Finished Goods	122,474.02	131,745.57
	Trading Goods	178.46	178.46
	Store and Spares	28,835.96	21,221.22
	[Including material in Transit ₹1,722.04 Lacs (₹1,211.15 Lacs)]		
	Scrap (at estimated realizable value)	2,511.07	2,099.13
	TOTAL - INVENTORIES	330,487.52	327,642.11

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
16	TRADE RECEIVABLE		
	(Unsecured, Considered goods unless otherwise stated)		
	(a) EXCEEDING SIX MONTHS FROM THE DUE DATE OF PAYMENT		
	Unsecured, Considered good	17,477.68	14,870.58
	Doubtful	597.40	23.49
	Less : Provision for doubtful receivable	597.40	23.49
		17,477.68	14,870.58
	(b) OTHERS	151,458.14	176,031.15
	TOTAL - TRADE RECEIVABLE	168,935.82	190,901.73

NOTE NO	DESCRIPTION	₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
17	CASH AND BANK BALANCES		
	(a) CASH AND CASH EQUIVALENTS		
	Balances with Banks	299.54	1,076.84
	Balances with Banks in Foreign Currency	22.68	39.16
	Bank Deposits with original maturity of less than three month *	1,945.37	1,098.71
	Unpaid dividend accounts	58.30	82.44
	Cheques in hand/Money in Transit	967.66	1,810.81
	Cash in Hand	17.87	16.61
	Stamps in Hand	0.13	0.20
	Puja and Silver Coins	0.08	0.06
	TOTAL CASH AND CASH EQUIVALENTS	3,311.63	4,124.83
	(b) OTHER BANK BALANCES		
	Bank Deposits with original maturity of more than three month but less than 12 months *	1,553.53	4,306.99
	Bank Deposits with original maturity of more than 12 months *	19.28	617.93
		1,572.81	4,924.92
	Less : Amount Disclosed under the head Other Non Current Assets	(18.78)	(270.81)
	TOTAL OTHER BANKS BALANCES	1,554.03	4,654.11
	TOTAL - CASH & BANK BALANCES	4,865.66	8,778.94

* ₹1,261.62 Lacs (₹3,472.43 Lacs) is under lien with Banks

NOTE NO	DESCRIPTION	₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
18	OTHER CURRENT ASSETS		
	(Unsecured, Considered good unless otherwise stated)		
	Interest accrued on Investment /Fixed Deposits	92.86	139.58
	Mines Development Expenses	309.58	309.57
	TOTAL OTHER CURRENT ASSETS	402.44	449.15

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
19	REVENUE FROM OPERATIONS		
	(a) SALE OF PRODUCTS		
	Finished Goods	1,274,748.52	1,085,810.68
	Trading Goods	2,820.36	2,808.68
	Export Benefits	11,082.21	10,779.46
		1,288,651.09	1,099,398.82
	(b) SALE OF SERVICES		
	Job Charges received	5,575.43	9,653.47
		5,575.43	9,653.47
	(c) OTHER OPERATING REVENUE		
	Sale of Gases	250.86	187.37
	Claims Received	606.15	614.25
	Previous year adjustments (net)	332.48	134.30
	Miscellaneous Income	1,857.36	2,200.06
		3,046.85	3,135.98
	REVENUE FROM OPERATIONS (GROSS)	1,297,273.37	1,112,188.27
	DETAILS OF PRODUCT SOLD		
	(i) FINISHED GOODS		
	Hot Rolled Products	658,010.06	602,929.09
	Cold Rolled Products	576,891.99	473,464.54
	Coin Blanks	24,633.30	1,807.65
	Ferro Alloys	588.21	1,988.55
	Coke	8,907.34	-
	Power	1,970.33	5,128.23
	Others	3,747.29	492.62
		1,274,748.52	1,085,810.68
	(ii) TRADING GOODS		
	Cold Rolled Products	-	2,737.09
	Coke	2,820.36	-
	Others	-	71.59
		2,820.36	2,808.68
	TOTAL - SALE OF PRODUCTS	1,277,568.88	1,088,619.36
	Sales includes the Finished Goods issued for Captive Consumption as below:		
	Hot Rolled Products	-	75.24
		-	75.24
	Previous year adjustments (net) includes :		
	Income relating to earlier years	(38.19)	6.58
	Liability no longer required	678.11	135.59
	Expenses relating to earlier years	(307.44)	(7.87)
		332.48	134.30

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
20	OTHER INCOME		
	(a) INTEREST INCOME ON		
	Long Term Investments	34.09	42.93
	Others	1,607.23	922.05
	Debtors	2,609.47	2,903.71
	[Net of Provision of ₹702.80 Lacs (₹1,469.17 Lacs)]		
		4,250.79	3,868.69
	(b) DIVIDEND INCOME FROM CURRENT INVESTMENT	0.51	1.34
	(c) NET GAIN/(LOSS) ON SALE OF CURRENT INVESTMENTS		
	Gain on Sale	-	0.96
	Loss on Sale	(6.87)	-
	Reversal / (Loss) on Dimunition	11.60	154.74
		4.73	155.70
	(d) NET GAIN/(LOSS) ON SALE OF FIXED ASSETS		
	Gain on Sale	38.49	307.34
	Loss on Sale	(32.64)	(35.26)
	Loss on Discard	(333.15)	(0.01)
		(327.30)	272.07
	(e) OTHER NON-OPERATING INCOME (NET)	77.15	115.35
	TOTAL - OTHER INCOME	4,005.88	4,413.15

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
21	COST OF MATERIAL CONSUMED		
	Raw Material Consumed	786,250.69	719,673.12
	TOTAL COST OF MATERIAL CONSUMED	786,250.69	719,673.12
	DETAIL OF RAW-MATERIAL CONSUMED		
	Steel Scrap	395,232.87	369,950.09
	Ferro Alloys	282,270.53	270,857.94
	Copper Scrap	55,182.20	28,185.19
	Hot Rolled Products	-	6,305.52
	Chrome Ore	44,947.46	41,057.55
	Coal/Coke	14,176.25	9,735.46
	Others	32,194.16	13,048.84
	Less : Inter unit transfer of material included in above	(37,752.78)	(19,467.47)
	TOTAL - DETAIL OF RAW-MATERIAL CONSUMED	786,250.69	719,673.12

	31.03.2014		31.03.2013	
	% age	Amount	% age	Amount
	CONSUMPTION OF RAW MATERIAL			
Imported	56.95	447,750.27	58.66	422,170.76
Indigenous	43.05	338,500.42	41.34	297,502.36
TOTAL	100.00	786,250.69	100.00	719,673.12

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
21A	PURCHASE OF TRADING GOODS		
	Cold Rolled Products	-	2,629.27
	Coke	2,631.00	-
	Others	-	0.24
	TOTAL - PURCHASE OF TRADING GOODS	2,631.00	2,629.51

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
22	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS		
	OPENING STOCK		
	Finished Goods	131,745.57	117,868.65
	Work in Progress	79,441.68	57,361.50
	Scrap	2,099.13	1,658.03
	Trading Goods	178.46	340.14
	TOTAL OPENING STOCK	213,464.84	177,228.32
	CLOSING STOCK		
	Finished Goods	122,474.02	131,745.57
	Work in Progress	76,872.41	79,441.68
	Scrap	2,511.07	2,099.13
	Trading Goods	178.46	178.46
	TOTAL CLOSING STOCK	202,035.96	213,464.84
	Excise Duty on account of increase/(decrease) in Stock of Finished Products	534.40	(146.45)
	TOTAL - CHANGES IN INVENTORIES	11,963.28	(36,382.97)

DETAILS OF INVENTORIES		31.03.2014	31.03.2013 /01.04.2013	01.04.2012
FINISHED GOODS				
	Hot Rolled Products	41,998.76	54,434.08	57,146.01
	Cold Rolled Products	67,017.59	66,501.55	37,108.28
	Ferro Alloys	4,976.09	4,350.35	19,376.11
	Others	8,481.58	6,459.59	4,238.25
	TOTAL	122,474.02	131,745.57	117,868.65
WORK IN PROGRESS				
	Hot Rolled Products	40,502.95	40,272.01	26,690.36
	Ferro Alloys	23,094.27	28,087.51	21,252.89
	Others	13,275.19	11,082.16	9,418.25
	TOTAL	76,872.41	79,441.68	57,361.50
TRADING GOODS				
	Cold Rolled Products	-	-	89.74
	Others	178.46	178.46	250.40
	TOTAL	178.46	178.46	340.14

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
23	EMPLOYEE BENEFITS EXPENSES (read with Note No. 47)		
	Salaries, Wages, Bonus and Other benefits	21,828.61	22,491.02
	Contribution to provident and other funds	1,187.52	1,160.92
	Expenses on Employee Stock Option Scheme	(59.01)	61.44
	Staff Welfare Expenses	975.44	919.23
	TOTAL - EMPLOYEE BENEFITS EXPENSES	23,932.56	24,632.61

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
24	FINANCE COSTS		
	Interest Expenses	116,019.20	93,961.69
	Other Borrowing Costs	7,450.90	5,067.62
	TOTAL - FINANCE COSTS	123,470.10	99,029.31

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
25	DEPRECIATION AND AMORTIZATION EXPENSES		
	Depreciation on Fixed Assets	68,196.58	69,994.04
	Amortization of Intangible assets	569.42	136.92
	TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES	68,766.00	70,130.96

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
26	OTHER EXPENSES		
(a)	MANUFACTURING EXPENSES		
	Consumption of Stores and Spare parts	71,322.44	59,655.90
	Power and Fuel	127,206.19	123,517.98
	Labour Processing & Transportation Charges	13,267.21	12,909.52
	Repairs to buildings	568.93	154.23
	Repairs to plant & machinery	2,622.88	2,938.97
	Job work expenses	2,107.53	2,075.09
	Other Manufacturing Expenses	9,841.36	5,299.51
		226,936.54	206,551.20
(b)	ADMINISTRATIVE EXPENSES		
	Insurance	1,765.50	1,928.30
	Rent	364.77	443.92
	Lease Rent	3.60	3.60
	Rates and Taxes	693.75	933.65
	Legal and Professional	3,768.22	2,708.84
	Postage, Telegram, Telex and Telephone	470.41	505.71
	Printing & Stationary	355.68	315.02
	Travelling & Conveyance	757.67	956.94
	Director's Meeting Fees	5.47	5.50
	Vehicle Upkeep and Maintenance	912.53	835.22
	Auditor's Remuneration	51.52	55.28
	Donation	120.34	91.14
	Mine Development Expenditure w/off	309.59	309.59
	Miscellaneous Expenses	5,500.29	3,851.17
		15,079.34	12,943.88
(c)	SELLING EXPENSES		
	Discount & Rebate	5,561.59	6,018.43
	Freight & Forwarding Expenses	19,776.03	19,277.98
	Commission on Sales	7,009.81	6,740.60
	Other Selling Expenses	6,686.63	4,994.61
	Provision for Doubtful Debts / Advances	573.91	-
	Bad Debts	221.83	7.98
	Advertisement & Publicity	114.69	36.81
		39,944.49	37,076.41
	TOTAL - OTHER EXPENSES	281,960.37	256,571.49

	31.03.2014		31.03.2013	
	% age	Amount	% age	Amount
CONSUMPTION OF STORES & SPARES				
Imported	41.21	29,394.30	21.94	13,090.41
Indigenous	58.79	41,928.14	78.06	46,565.49
TOTAL	100.00	71,322.44	100.00	59,655.90

		(₹ in Lacs)	
A Contingent Liabilities not provided for in respect of :		As at 31.03.2014	As at 31.03.2013
a)	Counter Guarantee given to Company's Bankers for the Guarantee given by them on behalf of Company	7,441.09	10,283.04
b)	Letter of Credit outstanding	92,250.35	82,291.29
c)	Bills discounted with Banks	56,211.84	42,132.20
d)	i) Sale Tax/Entry Tax demands against which company preferred appeals.	9236.71	9,129.73
	ii) Excise Duty/Custom/Service Tax Show Cause Notices/ Demands against which company has preferred appeals.	17,830.03	15,401.82
	iii) Income tax demands against which Company has preferred appeals.	4,200.91	4,802.74
	iv) Claims and other liabilities against the company not acknowledged as debt.	10,588.26	8,812.91
e)	Demand made by Sr. Dy. Director of Mines, Notified Authority, Jajpur Road Circle, Orissa as cess on Chromite Ore production. The matter being pending with Hon'ble Supreme Court.	320.49	320.49
f)	Demand made by Dy. Director of Mines, Jajpur Road Circle, Orissa against which company has preferred appeal.	139.56	24.74
B	i) Guarantee given to custom authorities for import under EPCG Scheme. {Custom duty saved/to be saved as on 31st March, 2014 ₹19,080.63 Lacs (₹25,676.82 Lacs)}	59,484.56	91,638.82
	ii) Custom Duty saved on material consumed imported under Advance License	337.12	266.66
C	Letter of Comfort to banks against credit facilities/ financial assistance availed by subsidiaries.	55,036.61	60,403.29
28.	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹2,474.43 Lacs (₹2,082.96 Lacs).		
29.	Exceptional items includes Gain/(Loss) (net) of (₹37,247.31 Lacs) {(₹12,484.71 Lacs)} on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of ₹ (509.27) Lacs (₹119.04 Lacs) upon marked to market of derivatives contracts, gain/(loss) of (₹3,933.35 Lacs) {(₹4,330.39 Lacs)} on forward cover cancellation.		
30.	Appeals in respect of certain assessments of Sales Tax / Income Tax are pending and additional tax liabilities/refunds, if any, are not determinable at this stage. Adjustments for the same will be made after the same are finally determined. In the opinion of management there will not be material liability on this account.		
31.	a)	Addition/adjustment to Plant & Machinery / Capital Work-In-Progress includes ₹19,335.20 Lacs (Net Debit) (₹25,876.17 Lacs (Net Debit)) on account of foreign exchange fluctuation on Loan/Liability including fluctuation relating to forward cover. (Includes amount disclosed in Note No. 44 (c) below).	
	b)	Interest expenses includes pro-rata premium of ₹165.98 Lacs (Net Credit) (₹134.64 Lacs (Net Credit))	
32.	(A) Corporate Debt Restructuring		
	i)	Pursuant to the approval of reworked CDR package ("Rework Scheme") in September 2012 and execution of Amended & Restated Master Restructuring Agreement ("Amended MRA"), the long term financial obligations to the CDR lenders were reworked including reworking of repayment schedule, creation of Funded Interest Term Loan (FITL II), adjustment in interest rates, etc. w.e.f. 31st March, 2012.	
	ii)	Under the Rework Scheme, the interest rates are shifted from fixed rate of interest to floating rate of interest. Interest has been accounted for based upon the terms of the Rework Scheme / confirmations so far received from the Banks.	
	iii)	The Funded Interest Term Loan (FITL-II) has been created on certain credit facilities as per the terms of the Rework Scheme and the amendment thereof. Further, subject to necessary applicable approvals including regulatory and CDR EG, each CDR lender also has option to convert up to an amount equivalent to 30% of FITL – II (created out of interest for the financial year 2012–13 in the Rework Scheme), into equity shares on certain terms and conditions.	
	iv)	The credit facilities / loans under Rework Scheme are/will also be secured by:	
	a.	Unconditional & irrevocable personal guarantee of CMD Mr. Ratan Jindal;	
	b.	Unconditional & irrevocable corporate guarantee of promoter group companies in proportion to the number and to the extent of equity shares pledged or required to be pledged by each body corporate;	
	c.	Pari-passu pledge/ non disposal undertaking / lodgment of 65,306,625 nos. of equity shares held in the company by promoters. Creation of security over 87.7% of the additional equity shares allotted to, a member of the promoter group, on 30th March 2013 and 31st March, 2014; and	
	d.	Under the Scheme, the company had created pledge and submitted non-disposal undertaking for all its investment in subsidiaries as listed below:	
		<ul style="list-style-type: none"> • JSL Lifestyle Limited • JSL Logistics Limited • PT. Jindal Stainless Indonesia • Jindal Stainless UK Limited • JSL Stainless FZE 	

- JSL Group Holdings Pte. Limited
 - JSL Architecture Limited
 - Jindal Stainless Madencilik Sanaye Ve Ticaret A.S.
 - Jindal Aceros Inoxidables S.L.
 - Iberjindal S.L.
- e. Certain conditions, covenants and creation of security under the Rework Scheme are in process of compliance. Certain secured facilities from Banks are subject to confirmation and/or reconciliation.

(B) Restructuring of ECB Facilities

Besides reworking of its domestic term debt obligations as stated in note A above, the Company has also completed the restructuring of its debt obligations in relation to USD 250 million ECB facilities (outstanding of USD 223.75 million as on 31st March 2014) availed for the part financing of Odisha Phase II project and has executed requisite amendment agreements with all the ECB lenders on 29th March 2013. The revised terms inter-alia includes deferment of repayment schedule, increase in interest rates, etc. has been implemented on receipts of RBI approvals.

33. As on March 31, 2014, the overdue interest to lenders (21 in nos.) was ₹ 3,175.42 Lacs of which maximum overdue period was 30 days. However, on account of certain technical issues from banks' side and/or reconciliation issues (refer Note No. 32 (A) (iv) (e) above), certain amounts were reported as overdue for more than 60 days by certain banks. This overdue position of more than 60 days has been rectified subsequent to the balance sheet date.
34. (a) During the year, the Company has received subscription (application/allotment) money (including premium) aggregating to ₹10,157.66 Lacs from JSL Overseas Limited (the allottee) in two tranches. Subsequent to the receipt of funds, the Company has allotted
- i) 10,750,000 nos. equity shares of ₹2/- each @ ₹37.65 per share (including premium of ₹35.65 per share) to JSL Overseas Limited; and
 - ii) 15,810,440 nos. Cumulative Compulsory Convertible Preference Shares (CCCPS) of ₹2/- each @ ₹37.65 per CCCPS (including premium of ₹ 35.65 per CCCPS) to JSL Overseas Limited.

Amount received of ₹10,000.01 Lacs have been fully utilized for the purpose the issue was made. The balance amount of ₹157.65 Lacs after adjustment of consideration for allotment of aforementioned equity shares & CCCPS, pending for refund as on 31st March, 2014 has been subsequently refunded.

- (b) During the previous year, Company has issued and allotted 13,550,000 nos fully paid up equity shares of ₹2 each at ₹74 per share (including premium of ₹72 per share) on preferential basis in terms of approval taken from shareholders. Amount received of ₹100.27 Lacs have been fully utilized for the purpose the issue was made.
35. (a) The company has filed Writ Petition (C) before the Hon'ble High Court of Orissa, challenging the order passed by the Dy Commissioner of Commercial Tax, Jajpur for the period from 01/10/2006 to 30/09/2010, for payment of Entry Tax under the Orissa Entry Tax Act 1999 on the goods procured from outside the territory of India. The demand is on 2/3rd amount of Entry Tax on the goods imported from outside the territory of India on which the payment of 1/3rd amount of entry tax deposited as per the interim order of the Hon'ble Supreme Court. Considering the prudence demand of entry tax have been fully provided for and pending final decision interest and penalty have been shown under note no. 27(d)(i) (Contingent Liability).
- The Hon'ble Court has heard the matter and vide its interim order dated 14.03.2012, directed the company to deposit 50% of the amount of interest i.e. ₹1.08 crores by 25.03.2012 and granted stay for the balance amount of demand till disposal of the case. The company has deposited the amount within the permitted time and informed to the Hon'ble Court.
- (b) The Company had also challenged the levy of entry tax on goods not produced in Orissa and same is pending before decision of the Hon'ble Supreme Court. Considering the prudence full liability in this regards have been provided. Interest/ penalty if any, will be accounted for as and when finally settled/determined and the same is included in note no. 27(d)(i) (Contingent Liability).
36. Due from Grid Corporation of Orissa (Gridco) Limited is of ₹9,641.21 Lacs (₹9,268.43 Lacs). The company had realized part of the overdue amount on receipt of the order of Odisha Electricity Regulatory Commission (OERC) in Case no. 106 of 2011 No. 4387 dated 17/11/2012. Delayed payment surcharge (Interest) on this have been accounted in terms of contractual obligation. The management is hopeful of recovery of due from Gridco.
37. The company has filed Writ Petition (C) before the Hon'ble High Court of Orissa, Cuttak challenging the order passed by the Jt Commissioner of Commercial Tax, Jajpur disallowing the issue of C Form for the procurement of plant and machinery for Captive Power Plant during the year 2005-06, 2006-07 & 2007-08. The Hon'ble Court heard the matter and passed interim order dated 14.03.2012, directing the company to deposit 25% out of total demanded amount of ₹3,305.92 Lacs. The company has deposited an amount of ₹826.47 Lacs within the permitted time and informed the Hon'ble Court. Pending final decision, no provision in this respect has been made in the books and the same is included in note no. 27(d)(i) (Contingent Liability).
38. During the previous year, the company has received a notice from office of the Dy. Director of Mines, Jajpur Road Circle, Odisha (the Office) asking company to deposit ₹8,540.27 Lacs with the department on account of cost price on mining of excess quantity of Chrome Ore over and above the approved quantity of mining plan/scheme. The company has disputed and challenged the same as demand made by the Office is incorrect, unjustified, baseless and was without furnishing any supporting documents and/or providing any basis/ reason for such demand. The case is pending before Revisional Authority of Mining tribunal, Govt. of India.

39. Based on the intimation received from supplier regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the required disclosure is given below *

Sr. No.	Particulars	(₹ in Lacs)	
		As At 31.03.2014	As at 31.03.2013
1.	Principal amount due outstanding	239.79	75.30
2.	Interest due on (1) above and unpaid	0.03	-
3.	Interest paid to the supplier	-	-
4.	Payments made to the supplier beyond the appointed day during the year.	-	-
5.	Interest due and payable for the period of delay	-	-
6.	Interest accrued and remaining unpaid	-	-
7.	Amount of further interest remaining due and payable in succeeding year	-	-

* to the extent information available with the company.

40. (A) Certain balances of trade receivable, trade payable and other liabilities are subject to confirmation and/or reconciliation.
 (B) Certain charges created for secured loans are in process of satisfaction.
 (C) Although the book value/ fair value of certain unquoted investments amounting to ₹9,967.85 Lacs (₹3,663.10 Lacs), as reflected in Note no 12, including investment in foreign subsidiaries is lower than the cost or companies are having negative net worth, considering the strategic and long term nature of the investment, future prospectus and assets base of the investee company, such decline, in the opinion of the management, has been considered to be of temporary nature and hence no provision for the same at this stage is considered necessary.

The company has also given inter corporate deposit to its subsidiary companies amounting to ₹5,981.43 Lacs (₹3,243.15 Lacs) where the subsidiary companies has accumulated losses/negative net worth. In view of the long term involvement of the company (read with note (C) above) in the said companies no provision has been considered necessary.

41. In accordance with the provisions of "Accounting Standard-28 – Impairment of Assets", the company has made an assessment of the recoverable amount of assets based on higher of, the value in use considering its projected scale of operations, prevailing market conditions, future cash flows and future growth projections for domestic consumption and export of stainless steel items in general and estimated net selling price of the assets pertaining to its various Cash Generating Units and found recoverable amount of these assets to be higher as compared to carrying value of assets in its Financial Statements. Accordingly, management consider that there is no need for the provision on account of impairment of assets.
42. (a) Advance recoverable in cash or in kind or for value to be received includes Interest free loan to employee amounting to ₹15.55 Lacs (₹29.76 Lacs) in the ordinary course of business and as per employee service rules of the company. Maximum balance outstanding during the year is ₹ 24.45 Lacs (₹37.53 Lacs).
 (b) Loan & Advances to subsidiaries includes ₹22.30 Lacs (₹ 22.30 Lacs) as advance against share application money with a subsidiary company.
 (c) Public Fixed Deposits includes deposit from a director amounting to ₹63.13 Lacs (₹ Nil) in the ordinary course of business of the company. Maximum balance outstanding during the year is ₹273.33 Lacs (₹ Nil).
 (d) Pursuant to clause 32 of the Listing Agreement, Loans and Advances in the nature of Loans to Subsidiaries companies:

Name of the Company	(₹ in Lacs)			
	Amount Outstanding		Maximum balance outstanding	
	As at 31.03.2014	As at 31.03.2013	For the year ended 31.03.2014	For the year ended 31.03.2013
PT Jindal Stainless, Indonesia	1,497.75	1,357.00	1,497.75	1,357.00
JSL Architecture Limited	1,225.71	1,225.71	1,225.71	1,225.71
Green Delhi BQS Limited	3,057.29	3,057.29	3,057.29	3,057.29
JSL Media Limited	200.69	185.87	200.69	185.87
JSL Lifestyle Limited	-	-	-	1,411.52
JSL Logistic Limited	369.55	369.55	369.55	369.55

43. Research and Development expenses for the year amounting to ₹64.63 Lacs (₹113.46 Lacs) on account of revenue expenditure charged/debited to respective heads of accounts.

44. a) Derivative contracts entered into by the company and outstanding as on 31st March, 2014 for hedging currency risks:

(₹ in Lacs)

Nature of Derivative	Type	As at 31.03.2014			As at 31.03.2013		
		No. of Contracts	Foreign Currency (Million)	Amount	No. of Contracts	Foreign Currency (Million)	Amount
Forward Covers							
USD/INR	Sale	18	38.328	22,964.05	71	150.931	81,940.28
EURO/USD	Sale	34	57.359	47,326.95	119	95.273	66,318.67
GBP/USD	Sale	-	-	-	1	0.036	29.68
USD/INR	Buy	146	148.864	89,194.60	125	83.122	45,121.23
Cross Currency Swap							
USD		3	15.000	6,793.50	3	15.000	6,793.50
Interest Rate Swap							
USD		-	-	-	3	37.500	N.A.

Note: INR equivalent values have been calculated at the year end exchange rates (except in case of currency swaps) in INR to give an indicative value of the contracts in rupees. Actual hedges however may be in different currency denominations.

- b) Foreign Currency exposure that are not hedged by derivative instruments or otherwise outstanding as on 31st March, 2014 is as under:

(₹ in Lacs)

Nature	As at 31.03.2014		As at 31.03.2013	
	Foreign Currency (Million)	Amount	Foreign Currency (Million)	Amount
Account Receivable				
USD	18.128	10,860.14	-	-
Loans				
USD	245.869	147,324.97	243.742	132,327.30
Buyer's Credit				
USD	114.249	68,457.89	381.273	206,993.21
EURO	-	-	5.211	3,627.71
Due to Customer				
USD	21.054	12,615.81	20.731	11,255.06
EURO	4.302	3,550.42	8.382	5,834.97
Account Payable				
USD	92.337	55,328.19	302.438	164,193.59
EURO	21.058	17,377.28	22.156	15,422.75
GBP	0.007	7.18	-	-
AUD	-	-	0	0.04
CAD	0.028	15.15	0.004	2.10

- c) In compliance of clarification of ICAI on outstanding derivatives which are not covered by AS – 11 "Accounting for effects of changes in foreign currency rates", the Company has accounted for Mark to market losses on derivatives entered for INR term Loans amounting to ₹ Nil (₹ Nil) & against interest rate auction ₹ Nil (₹ 421.58 Lacs) till 31st March, 2014 which has been adjusted to the cost of fixed assets.

45. The Haryana Government levied w.e.f. 05.05.2000 a Local Area Development Tax (the LADT Act) on the Manufacturing units in the State of Haryana on the entry of goods for use and consumption. JSL and other units have challenged the Act in the Hon'ble Punjab and Haryana High Court. The Hon'ble Punjab and Haryana High Court disallowed the petition in December, 2001 and the company had by a Special Leave Petition challenged the Order of High Court in the Hon'ble Supreme Court. The Hon'ble Supreme Court referred the matter to a 'five judges' Constitutional Bench, which laid certain parameters to examine the Act on those lines. On the basis of these parameters the Hon'ble High Court have declared the Act to be ultra virus on 14th March, 2007. Since, this issue was being canvassed by various High Courts, the Hon'ble Supreme Court gave an Interim Order that those states where the High Courts have given judgment in favour of the petitioner, no tax would be collected. In the mean time the Haryana Government has repealed the LADT Act and introduced another Act by the name of 'Entry Tax' on the same lines. That Act was also been held ultra virus by the High Court. However, on prudence basis, the liability has been fully provided for. The order of Punjab and Haryana High Court and other judgements of all the Courts of India have been long pending. The State Governments have requested the Hon'ble Supreme Court that it is very difficult for them to run the Government. So at least till the pendency of the cases in the Hon'ble Supreme Court they may be allowed to charge from past liability and also from the future liability to be accrued. On 30th October, 2009, the Hon'ble Supreme Court have

directed that 1/3rd of the liability is to be paid by all the assesses whose cases are pending in the High Courts. As, at present, there is no Act either LADT/Entry Tax prevalent in Haryana State, no tax is being collected from the assesses however undertaking have given by assesses that in case they lose they will make the payment. As such on prudence basis, full liability has been provided for. In the meantime, i.e. on 16.04.2010 the Entry Tax matters of the states have been referred to a larger 9-Judges Constitutional Bench of the Supreme Court, where the judgement of 7-Judges Constitutional Bench passed 49 years ago would be revisited. Constitution Bench has not been constituted as yet and the status of the case is as it is and at present no tax is being collected/paid in Haryana.

46. a) During the year, the Company has recognized the following amounts in the Statement of Profit and Loss (refer note no 23)/pre-operative expenses:

	(₹ in Lacs)
	For the year ended 31.03.2014
Defined Contribution Plans	
Employer's Contribution to Provident Fund	531.63 (692.30)
Employer's Contribution to ESI	73.24 (66.15)
Defined Benefit Plans	
Employer's Contribution to Provident Fund	511.78 (343.07)

	(₹ in Lacs)	
	Gratuity Funded	Leave Encashment Unfunded
Current service cost	288.63 (248.11)	265.05 (250.85)
Interest cost	210.38 (166.30)	77.14 (62.99)
Expected Return on plan assets	(215.35) ((170.40))	- (-)
Actuarial (gain)/loss	(290.90) (235.11)	37.46 (199.73)
Past service cost	- (195.85)	- (-)
Curtailment and settlement cost/Credit	- (-)	- (-)
Net Cost	(7.24) (674.97)	379.65 (513.57)
Actual Return on Plan Assets	192.99 (180.53)	N.A. N.A.

	(₹ in Lacs)	
	Gratuity Funded	Leave Encashment Unfunded
b) Change in Benefit Obligation		
Present value of obligation as at the beginning of the year	2,693.07 (1,981.34)	1,070.45 (829.02)
Current service cost	288.63 (248.11)	265.05 (250.85)
Interest cost	210.38 (166.30)	77.14 (62.99)
Benefits paid	(235.09) ((143.76))	(413.48) ((272.14))
Curtailment and Settlement cost	- (-)	- (-)
Past service cost	- (195.85)	- (-)
Actuarial (gain)/loss	(287.88) (245.23)	37.46 (199.73)
Present value of obligation as at the end of year	2,669.11 (2,693.07)	1,036.62 (1,070.45)

(₹ in Lacs)

c) Change in Plan Assets :	Gratuity	
	Funded	Leave Encashment Unfunded
Fair value of plan assets as at the beginning of the year	2,527.29	-
	(1,763.90)	(-)
Expected return on plan assets	215.35	-
	(170.40)	(-)
Actuarial gain/(loss)	3.02	-
	(10.12)	(-)
Employer contribution	110.26	-
	(726.63)	(-)
Settlement cost	-	-
	(-)	(-)
Benefits paid	(235.09)	-
	((143.76))	(-)
Fair value of plan assets as at the end of the year	2,620.83	-
	(2,527.29)	(-)
Liability recognized in Balance Sheet	(48.28)	(1,036.62)
	(165.78)	((1,070.45))

d) Composition of plan assets as a percentage of total plan assets:	Gratuity	
	₹ In Lacs	%
Insurer Managed Fund	2,620.83	100%
	(2,527.29)	(100%)
Total	2,620.83	100%
	(2,527.29)	(100%)

e) The assumptions used to determine the benefit obligations are as follows:	Gratuity	Leave Encashment
Discount rate	8.50% - 9.15% (8.00%-8.50%)	8.50% - 9.15% (8.00%-8.50%)
Expected Rate of Return on Plan Assets	8.75% - 8.85% (9.15%-9.40%)	N.A. N.A.
Salary Escalation	5.25% - 6.00% (5.25%-5.50%)	5.25% - 6.00% (5.25%-5.50%)
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	

The expected return on the plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of assets management, historical results of returns on the plan assets and the policy for the management of plan assets management.

The estimates of future salary increase, considered in actuarial valuation, taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- (f) The company makes monthly contributions to Provident Fund managed by Trust for qualifying employees. Under the scheme, the company is required to contribute a specified percentage of the payroll costs to fund the benefits.

In keeping with the Guidance on Implementing Accounting Standard (AS) 15 (Revised) on Employee Benefits notified by the companies (Accounting Standards) Rules, 2006, employer established provident fund trusts are treated as Defined Benefit Plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees. Accounting to the actuarial Valuation, the Defined Benefit Obligation of Interest Rate Guarantee on exempted Provident Fund in respect of employees of the company as on 31st March, 2014 works out of ₹ Nil (₹ Nil) and hence no provision is required to be provided for in the books of account towards the guarantee for notified interest rates.

Actuarial assumptions made to determine Interest Rate Guarantee on Exempt Provident Fund Liabilities are as follows:

Particulars	For the year ended 31.03.2014
Rate of Discounting	9.15% (8.15%)
Rate of return on assets	8.75% (9.03%)
Guaranteed Rate of Return	9.00% (8.50%)

47. On 28th July, 2010, the Company granted 35,77,500 stock options to eligible employees of the Company, its subsidiaries including non executive directors (excluding Nominee Director), as per Employees Stock Option Scheme, 2010 (ESOP 2010). The exercise price of stock options is ₹75/- per share which would gradually vest over a maximum period of 4 years from the date of grant based on specified criteria, as may be decided by the Compensation Committee.

Salient features of the grants are as under:

Particulars	Grant I (granted on 28.7.2010)				Grant II (granted on 28.7.2012)				
Vesting schedule	Options will vest from the date of grant based on the performance conditions mentioned below in the following ratio:				Options will vest from the date of grant based on the performance conditions mentioned below in the following ratio:				
	Vesting Schedule	On 28.07. 2011 (Vest 1)	On 28.07. 2012 (Vest 2)	On 28.07. 2013 (Vest 3)	On 28.07. 2014 (Vest 4)	Vesting Schedule	On 28.07. 2013 (Vest 1)	On 28.07. 2014 (Vest 2)	On 28.07. 2015 (Vest 3)
	Eligibility*	0%	30%	30%	40%	Eligibility*	30%	30%	40%
	* Maximum percentage of Options that can vest				* Maximum percentage of Options that can vest				
Performance Conditions	Performance Matrix				Performance Matrix				
	Performance rating attained **		Percentage of options that would vest		Performance rating attained **		Percentage of options that would vest		
	A+		100%		A+		100%		
	A		75%		A		75%		
B		50%		B		50%			
	** Based on achievement of the Annual Targets set by the management at the beginning of the year.				** Based on achievement of the Annual Targets set by the management at the beginning of the year.				
Exercise period	Not more than 3 years from the date of vesting				Not more than 3 years from the date of vesting				

Pursuant to 1st vesting @ 30% of ESOP outstanding on 28th July, 2012, 534,771 ESOPs were vested to eligible employees based on performance rating and 1,50,000 fresh ESOPs were granted to the employees of the Company on 28th July, 2012. Pursuant to 2nd vesting @ 30% of ESOP outstanding on 28th July 2013, 426,024 ESOPs were vested to eligible employees based on performance rating.

During the year ended on 31st March, 2014, **662,763** (497,106) stock options lapsed due to resignation, retirement and low vesting due to performance rating. No vested options were exercised by employees during the year. As on 31st March, 2014, **1,608,881** (2,271,644) ESOPs were in force.

48. Finance Lease

Assets acquired under leases where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such assets are capitalized at inception of the lease at the lower of the fair value or net present value if minimum lease payments and a liability is created for an equivalent amount.

Lease interest charged to profit & loss for right to use of CTL Machine (Cut to length) for the services regarding cutting of Stainless Steel sheets.

	(₹ in Lacs)	
	For the year ended 31.03.2014	For the year ended 31.03.2013
Lease Interest	58.24	79.37

The agreements are executed for a period of 60 months with the clause that the ownership of the CTL shall be automatically transferred to lessee on the zero value.

The breakup of total minimum lease payments under finance lease are as follows :

	(₹ in Lacs)	
	As at 31.03.2014	As at 31.03.2013
Not later than one year	223.17	199.53
Later than one year and not later than five years	184.56	407.74
Later than five years	-	-

49. The company has a regular programme of physical verification for its inventory. Further, during the year physical verification of significant part of inventory of finished goods and work in progress has been carried out by an independent firm of professionals and technical consultant and no material discrepancy were found.

50. Segment Reporting**i) Information about Business Segment (for the year 2013-14)**

Company operates in a Single Primary Segment (Business Segment) i.e. Stainless Steel products.

ii) Secondary Segments (Geographical Segment)

(₹ in Lacs)

Description	2013-14		Total
	Within India	Outside India	
1. Revenue from Sale/Services	946,033.68 (787,067.00)	348,192.84 (321,985.29)	1,294,226.52 (1,109,052.29)
2. Segment Assets *	1,463,529.52 (1,471,426.04)	75,761.92 (113,067.40)	1,539,291.44 (1,584,493.44)
3. Capital Expenditure incurred during the year *	32,386.48 (44,824.29)	- (29.83)	32,386.48 (44,854.12)

* The Company's operating facilities are located in India

51 Related Party Transactions**A List of Related Party & Relationship (As identified by the Management)****a) Subsidiary Companies :**

- 1 PT. Jindal Stainless Indonesia
- 2 Jindal Stainless Steelway Limited
- 3 JSL Lifestyle Limited
- 4 JSL Architecture Limited
- 5 Jindal Stainless UK Limited
- 6 Jindal Stainless FZE
- 7 Green Delhi BQS Limited
- 8 Jindal Stainless Madencilik Sanayi Ve Ticaret Anonim Sirketi
- 9 JSL Media Limited
- 10 Jindal Aceros Inoxidables S.L.
- 11 JSL Group Holdings Pte. Limited
- 12 JSL Logistics Limited
- 13 Iberjindal S.L.
- 14 Jindal Stainless Italy Srl.
- 15 JSL Ventures Pte. Limited
- 16 JSL Europe SA
- 17 JSL Minerals & Metals SA

b) Joint Ventures:

- 1 MJSJ Coal Limited
- 2 Jindal Synfuels Limited

c) Key Management Personnel :

- | | | |
|---|------------------------------|---|
| 1 | Shri Ratan Jindal | Chairman & Managing Director |
| 2 | Shri Ramesh R. Nair | President & Executive Director (w.e.f. 03.11.2011 to till 04.06.2013) |
| 3 | Shri U.K.Chaturvedi | Chief Executive Officer (w.e.f. 01.04.2013 to till 31.12.2013) |
| 4 | Shri S.S. Virdi | Executive Director & Chief Operating Officer (till 31.07.2013) |
| 5 | Shri Jitender P. Verma | Executive Director - Finance |
| 6 | Shri Rajinder Prakash Jindal | Executive Director (w.e.f. 06.01.2014) |
| 7 | Shri Jitendra Kumar | Company Secretary |

d) Enterprises over which Key Management Personnel and their relatives exercise significant influence with whom transactions have been taken place during the year:

- 1 Jindal Steel & Power Limited
- 2 JSW Steel Limited
- 3 Jindal Saw Limited
- 4 Jindal Industries Limited
- 5 Nalwa Steel & Power Limited
- 6 Bir Plantation Private Limited
- 7 JSL Overseas Holding Limited (formerly Jindal Overseas Holding Limited)
- 8 JSL Overseas Limited
- 9 JSW Ispat Steel Limited

B Transactions:**(₹ in Lacs)**

Description	For the year ended 31.03.2014				For the year ended 31.03.2013			
	Subsidiary	Joint Venture	Key Management Personnel	Enterprises Controlled by Key Management Personnel & their Relatives	Subsidiary	Joint Venture	Key Management Personnel	Enterprises Controlled by Key Management Personnel & their Relatives
Purchase of Goods	4,725.15	-	-	3,470.00	7,462.00	-	-	7,930.38
PT. Jindal Stainless Indonesia	1,583.81	-	-	-	4,930.79	-	-	-
Jindal Stainless Steelway Limited	2,431.28	-	-	-	1,840.49	-	-	-
Jindal Steel & Power Limited*	-	-	-	1,990.71	-	-	-	3,569.61
JSW Steel Limited	-	-	-	288.73	-	-	-	2,151.98
Jindal Industries Limited	-	-	-	1,137.94	-	-	-	-
Others	710.06	-	-	52.62	690.72	-	-	2,208.79
Sale of Goods	159,851.15	-	-	1,320.38	135,072.87	-	-	1,034.71
PT. Jindal Stainless Indonesia	37,426.28	-	-	-	30,541.38	-	-	-
Jindal Stainless Steelway Limited	109,124.38	-	-	-	92,548.75	-	-	-
Jindal Steel & Power Limited **	-	-	-	940.46	-	-	-	741.14
Others	13,300.49	-	-	379.92	11,982.74	-	-	293.57
Job Work Charges Paid	1,362.46	-	-	-	1,251.01	-	-	-
Jindal Stainless Steelway Limited	1,360.66	-	-	-	1,233.33	-	-	-
Others	1.80	-	-	-	17.68	-	-	-
Receiving of Services (Remuneration paid)	-	-	518.85	-	-	-	481.09	-
Shri Ramesh R Nair - President & Executive Director	-	-	40.52	-	-	-	160.57	-
Shri S.S. Virdi- Executive & Chief Operating Officer	-	-	47.48	-	-	-	140.85	-
Shri Jitender P. Verma - Executive Director - Finance	-	-	237.26	-	-	-	151.98	-
Shri U.K.Chaturvedi-Chief Executive Officer	-	-	149.50	-	-	-	-	-
Others	-	-	44.08	-	-	-	27.69	-
Loans & Advances Given	-	0.15	-	-	-	-	-	-
MJSJ Coal Limited	-	0.15	-	-	-	-	-	-
Loans & Advances Recovered	-	-	-	-	1,411.52	-	-	-
JSL Life Style Limited	-	-	-	-	1,411.52	-	-	-
Rent Received	0.24	-	17.40	3.37	0.24	-	17.40	3.37
Shri Ratan Jindal--Chairman & Managing Director	-	-	17.40	-	-	-	17.40	-
Jindal Saw Limited	-	-	-	3.37	-	-	-	3.37
Others	0.24	-	-	-	0.24	-	-	-

(₹ in Lacs)

Description	For the year ended 31.03.2014				For the year ended 31.03.2013			
	Subsidiary	Joint Venture	Key Management Person-nels	Enterprises Controlled by Key Management Person-nels & their Relatives	Subsidiary	Joint Venture	Key Management Person-nels	Enterprises Controlled by Key Management Person-nels & their Relatives
Rent Paid	179.27	-	-	4.04	31.72	-	-	4.04
Jindal Stainless Steelway Limited	179.27	-	-	-	31.72	-	-	-
Bir Plantation Private Limited	-	-	-	4.04	-	-	-	4.04
Job Charges Received	-	-	-	-	-	-	-	6,518.73
JSW Steel Limited	-	-	-	-	-	-	-	6,518.73
Freight paid	400.11	-	-	-	515.75	-	-	13.35
JSL Logistics Limited	400.11	-	-	-	515.75	-	-	-
Others	-	-	-	-	-	-	-	13.35
Sale of Assets	5.01	-	-	-	-	-	-	-
Jindal Stainless Steelway Limited	4.19	-	-	-	-	-	-	-
PT. Jindal Stainless Indonesia	0.82	-	-	-	-	-	-	-
Quality Claim Paid	120.83	-	-	-	108.58	-	-	-
PT. Jindal Stainless Indonesia	91.53	-	-	-	108.58	-	-	-
Iber Jindal S.L.	29.30	-	-	-	-	-	-	-
Interest Received	523.71	-	-	0.27	379.82	-	-	-
JSL Lifestyle Limited	-	-	-	-	12.51	-	-	-
JSL Architecture Limited	418.65	-	-	-	259.38	-	-	-
Jindal Stainless Steelway Limited	7.61	-	-	-	11.96	-	-	-
Green Delhi BQS Limited ***	-	-	-	-	-	-	-	-
Others	97.45	-	-	0.27	95.97	-	-	-
Miscellaneous Payment	-	-	-	2.95	-	-	-	9.46
Jindal Steel & Power Limited	-	-	-	2.95	-	-	-	9.46
Bad Debts	117.01	-	-	-	-	-	-	-
Iber Jindal S.L.	117.01	-	-	-	-	-	-	-
Interest Paid	-	-	-	14.78	12.69	-	-	46.72
Jindal Stainless Steelway Limited	-	-	-	-	12.69	-	-	-
JSW Steel Limited	-	-	-	6.68	-	-	-	-
JSW Ispat Steel Limited	-	-	-	-	-	-	-	44.86
Jindal Industries Limited	-	-	-	8.10	-	-	-	-
Others	-	-	-	-	-	-	-	1.86
Lease Interest Paid	58.24	-	-	-	79.37	-	-	-
Jindal Stainless Steelway Limited	58.24	-	-	-	79.37	-	-	-

(₹ in Lacs)

Description	For the year ended 31.03.2014				For the year ended 31.03.2013			
	Subsidiary	Joint Venture	Key Management Person-nels	Enterprises Controlled by Key Management Person-nels & their Relatives	Subsidiary	Joint Venture	Key Management Person-nels	Enterprises Controlled by Key Management Person-nels & their Relatives
Commission on Sale	1,594.13	-	-	-	1,569.69	-	-	-
Jindal Stainless FZE	1,101.02	-	-	-	1,086.26	-	-	-
Jindal Stainless UK Limited	406.62	-	-	-	348.59	-	-	-
Jindal Stainless Italy Srl.	86.50	-	-	-	134.84	-	-	-
Equity Purchased	-	10.00	-	-	-	225.00	-	-
MJSJ Coal Limited	-	-	-	-	-	225.00	-	-
Jindal Synfuels Limited	-	10.00	-	-	-	-	-	-
Allotment of Equity/CCC Preference Shares	-	-	-	10,000.01	-	-	-	10,027.00
JSL Overseas Holding Limited	-	-	-	-	-	-	-	10,027.00
JSL Overseas Limited	-	-	-	10,000.01	-	-	-	-
Sharing of Exp. Reimbursed/to be Reimbursed	102.31	1.81	-	43.28	1,865.91	4.70	0.57	39.28
PT. Jindal Stainless Indonesia	59.70	-	-	-	1,813.79	-	-	-
JSL Architecture Limited	26.09	-	-	-	47.09	-	-	-
Jindal Saw Limited	-	-	-	41.49	-	-	-	36.04
Iber Jindal S.L.	14.42	-	-	-	-	-	-	-
Others	2.10	1.81	-	1.79	5.03	4.70	0.57	3.24
Sharing of Exp Recovered/to be Recovered	62.99	-	-	100.70	83.35	-	-	222.56
PT. Jindal Stainless Indonesia	5.22	-	-	-	19.06	-	-	-
JSL Lifestyle Limited	8.54	-	-	-	17.80	-	-	-
JSL Architecture Limited	12.49	-	-	-	12.40	-	-	-
Jindal Steel & Power Limited	-	-	-	50.82	-	-	-	46.42
Jindal Saw Limited	-	-	-	49.88	-	-	-	45.87
Jindal Industries Limited	-	-	-	-	-	-	-	128.24
Jindal Stainless Steelway Limited	34.91	-	-	-	-	-	-	-
Others	1.83	-	-	-	34.09	-	-	2.03
Outstanding Balance								
Letter of Comfort Given	55,036.61	-	-	-	60,403.29	-	-	-
PT. Jindal Stainless Indonesia	42,374.93	-	-	-	37,744.77	-	-	-
Jindal Stainless Steelway Limited	10,633.00	-	-	-	20,387.00	-	-	-
JSL Architecture Limited	2,028.68	-	-	-	2,271.52	-	-	-

(₹ in Lacs)

Description	For the year ended 31.03.2014				For the year ended 31.03.2013			
	Subsidiary	Joint Venture	Key Management Personnel	Enterprises Controlled by Key Management Personnel & their Relatives	Subsidiary	Joint Venture	Key Management Personnel	Enterprises Controlled by Key Management Personnel & their Relatives
Loans & Advances	8,551.28	-	-	25.00	8,689.38	-	-	25.00
PT. Jindal Stainless Indonesia \$	2,236.08	-	-	-	2,019.48	-	-	-
JSL Lifestyle Limited	501.16	-	-	-	782.38	-	-	-
JSL Architecture Limited	2,102.68	-	-	-	2,202.82	-	-	-
Green Delhi BQS Limited	3,057.29	-	-	-	3,057.29	-	-	-
Others	654.06	-	-	25.00	627.41	-	-	25.00
Receivables	38,247.35	-	-	1,998.56	33,935.42	-	-	5,828.19
PT. Jindal Stainless Indonesia	13,894.47	-	-	-	12,141.21	-	-	-
Jindal Stainless Steelway Limited	16,811.89	-	-	-	14,989.66	-	-	-
JSL Lifestyle Limited	948.56	-	-	-	863.24	-	-	-
Iberjindal S.L.	3,361.29	-	-	-	4,217.84	-	-	-
JSW Steel Limited	-	-	-	966.51	-	-	-	4,932.91
Others	3,231.14	-	-	1,032.05	1,723.47	-	-	895.28
Application Money Refundable	-	-	-	157.65	-	-	-	7.85
JSL Overseas Holding Limited	-	-	-	-	-	-	-	7.85
JSL Overseas Limited	-	-	-	157.65	-	-	-	-
Payables	3,579.51	30.52	-	2,605.42	4,073.62	28.86	-	3,882.69
PT. Jindal Stainless Indonesia	691.01	-	-	-	2,681.17	-	-	-
Jindal Stainless FZE	1,881.26	-	-	-	922.31	-	-	-
Jindal Industries Limited	-	-	-	647.50	-	-	-	255.84
Jindal Steel & Power Limited	-	-	-	980.36	-	-	-	2,601.09
Jindal Saw Limited	-	-	-	909.40	-	-	-	968.56
Others	1,007.24	30.52	-	68.17	470.14	28.86	-	57.20

Note :-

Guarantee given by key management personnel for loan from banks/others. (refer Note no. 4 and 8)

* Includes Purchase of Ferro Chrome/Sponge Iron on arm length prices

** Includes Sale of Chrome ore/Coke on arm length prices

*** On the request of subsidiary company, in view of continuous losses made by them and the litigation as informed to us, during the year company has waived off interest of ₹224.65 Lacs (₹ 224.65 Lacs).

\$ Includes Subordinated Debts of ₹1,497.75 Lacs (₹1,357.00 Lacs)

52 Earning Per Share (EPS) computed in accordance with Accounting Standard 20 "Earning Per Share".

	For the year ended 31.03.2014	For the year ended 31.03.2013
(₹ in Lacs)		
(A) Basic :		
Net Profit/(Loss) after Tax as per P & L A/c	(139,008.89)	(82,081.80)
Weighted Average No. of Equity Shares for Basic EPS (Face value ₹ 2/- per share)	204,322,982	190,222,424
Basic EPS (in ₹)	(68.03)	(43.15)
(B) Diluted :		
Net Profit after Tax as per P & L A/c	(139,008.89)	(82,081.80)
Add: Interest & Fluctuation on Foreign Currency Convertible Bonds (net of tax)	-	(57.09)
Profit attributable to Equity Share Holders	(139,008.89)	(82,138.89)
Weighted Average No. of Equity Shares for Basic EPS	204,322,982	190,222,424
Add : Weighted average of Potential equity shares converted during the year	331,475	379,370
Add : Weighted average of Potential equity shares outstanding as on 31st March, 2014	43,316	547,459
Weighted average No. of Equity Shares for Diluted EPS (Face value ₹2/- per share)	204,697,773	191,149,253
Diluted EPS (in ₹)	(67.91)	(42.97)

53 (A) Auditors Remuneration includes the following

	For the year ended 31.03.2014	For the year ended 31.03.2013
(₹ in Lacs)		
(i) Payment to Auditors		
Audit Fee	30.00	27.08
Management/ Other Services	3.77	2.26
Certification Work	5.85	3.65
Out of Pocket expenses	2.89	3.50
	42.51	36.49
(ii) Payment to Branch Auditors		
Audit Fee	2.60	2.37
Tax Audit Fee	1.60	1.30
Management/ Other Services	0.50	0.40
Certification Work	3.99	14.44
Out of Pocket expenses	0.32	0.28
	9.01	18.79
Total	51.52	55.28
(B) Payment to Cost Auditors		
Audit Fee	2.98	3.80
Certification Work	1.42	1.07
Out of Pocket expenses	0.24	0.31
Total	4.64	5.18
(C) Directors' Remuneration includes the following:		
Remuneration paid/payable to Whole Time Directors (WTDs)		
Salary	382.98	433.13
Provident Fund	11.84	19.08
Monetary value of perquisites**	9.00	1.19
Total	403.83	453.40

** As per Income Tax valuation.

** Excluding Gratuity/leave encashment.

- (i) (a) For the remuneration amounting to ₹16.20 Lacs and ₹18.11 Lacs paid to a Whole Time Director (WTD) for the years 2008-2009 and 2009-2010 respectively, company's representation is pending before Central Government.
- (b) For the remuneration amounting to ₹121.72 Lacs and ₹ 237.26 Lacs paid to Two Whole Time Directors (WTD) for the year 2013-2014, company's representation is pending before Central Government.
- (c) For the remuneration amounting to ₹9.46 Lacs paid to a Whole Time Director (WTD) for the year 2013-2014 is subject to the approval of the shareholders in the ensuing General Meeting and of the Central Government.

- 54 Capital work-in-progress (CWIP) includes technical know-how and supervision fees, taxes, machinery under installation/in transit, pre-operative expenses and other assets under erection. Details of same are as under:-

Description	(₹ in Lacs)	
	For the year ended 31.03.2014	For the year ended 31.03.2013
Power & Fuel	33.67	51.83
Salaries & Allowances	35.15	213.31
Travelling and Conveyance	0.49	2.71
Legal & Professional Expenses	-	552.60
Miscellaneous Expenses	3.17	0.22
	72.48	820.67
Less: Interest/Other Misc. Income	-	61.53
Add: Opening balance brought forward	1,295.05	8,689.80
	1,367.53	9,448.94
Less: Capitalised during the year	1,170.16	8,153.89
Closing balance carried over	197.37	1,295.05

55

Description	(₹ in Lacs)	
	For the year ended 31.03.2014	For the year ended 31.03.2013
Raw Material	421,421.06	444,446.87
Trading Goods	-	2,629.51
Stores & Spares	43,861.64	16,374.30
Capital Goods	469.79	3,921.63

B. EXPENDITURE IN FOREIGN CURRENCY

	(₹ in Lacs)	
	For the year ended 31.03.2014	For the year ended 31.03.2013
i) Export Selling Expenses	8,951.70	7,662.20
ii) Interest	8,554.08	14,433.93
iii) Travelling	67.80	186.49
iv) Legal & Professional Expenses	124.28	203.92
v) Quality Claim	19.02	108.58
vi) Others	2,719.03	1,824.70

C. EARNINGS IN FOREIGN CURRENCY

F.O.B. value of export	336,099.64	304,739.45
Interest	34.28	32.81

D. Remittance of dividend on equity shares

	NIL	NIL
--	-----	-----

56 Previous years' figures have been re-arranged and regrouped wherever considered necessary .

57 Figures in bracket indicate previous year figures.

58 Note 1 to 58 are annexed to and form integral part of the Balance Sheet and Statement of Profit & Loss.

Signatures to Notes 1 to 58

AUDITOR'S REPORT :

In terms of our report of even date annexed hereto.

For LODHA & CO.
Chartered Accountants

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants

RATAN JINDAL
Chairman & Managing Director

JITENDER P. VERMA
Executive Director - Finance

(N.K. LODHA)
Partner
Membership No. 85155
FRN 301051E

(ARUN K. TULSIAN)
Partner
Membership No. 89907
FRN 000756N

JITENDRA KUMAR
Company Secretary

PLACE : New Delhi
DATED : 29th May, 2014

Statement pursuant to section 212 of the Companies Act, 1956 relating to company's interest in Subsidiary Companies

Particulars	Subsidiary Companies							
	PT. Jindal Stainless Indonesia	Jindal Stainless Steelway Limited	JSL Architecture Limited	JSL Lifestyle Limited	Jindal Stainless UK Limited	Jindal Stainless Italy Srl.	Jindal Stainless FZE	
a) Holding Company's interest	Holder of 12,499,900 Equity Shares of US \$ 1 each out of the subscribed capital of 12,500,000 Equity Shares of US \$ 1 each.	Holder of 14,061,667 Equity Shares of ₹10/- each out of the subscribed capital of 17,166,924 Equity Shares of ₹10/- each.	Holder of 4,100,100 Equity Shares of ₹10/- each and 1,638,228 equity Shares held indirectly through its subsidiary company i.e. Jindal Stainless Steelway Limited out of the subscribed capital of 7,662,652 Equity Shares of ₹10/- each.	Holder of 17,795,600 Equity Shares of ₹10/- each out of the subscribed capital of 22,678,124 Equity Shares of ₹10/- each.	Holder of 100,000 Equity Shares of 1 GBP each out of the subscribed capital of 100,000 Equity Shares of 1 GBP each.	Capital Stock of Euro 10,000 through wholly owned subsidiary company Jindal Stainless UK Limited	Holder of 6 Equity Shares of AED 1,000,000 each out of the subscribed capital of 6 Equity Shares of AED 1,000,000 each.	
b) Financial year of the company ended on	31st March, 2014	31st March, 2014	31st March, 2014	31st March, 2014	31st March, 2014	31st December, 2013	31st March, 2014	
c) Net aggregate amount of subsidiary company's profit (loss) not dealt within the company's Account.	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	
i) For the subsidiary company's financial year ended 31st March, 2014.	120,190,347.00	29,776,259.27	(52,460,316.01)	447,501.00	1,847,472.00	447,501.00	9,065,030.00	
ii) For the subsidiary company's previous financial periods, since it became the holding company's subsidiary.	50,069,503.20	284,514,595.01	9,625,135.39	(105,227,692.02)	13,408,001.92	7,118,626.38	38,783,595.17	
d) Net aggregate amount of the subsidiary company's profit/ loss dealt within the company's Account.								
i) For the subsidiary company's financial period ended 31st March, 2014.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
ii) For the subsidiary Company's previous financial period since it became the holding Company's subsidiary	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
e) Holding Company's interest as at 31.03.2013 incorporating changes since close of the financial year of Jindal Stainless Italy Srl. and Jindal Stainless Madenciik Sanyai Ve Ticaret Anonim Sirketi, in pursuance of Section 212(5) of the Companies Act, 1956.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
f) Material changes occurred between the end of financial year of Jindal Stainless Italy Srl. & Jindal Stainless Madenciik Sanyai Ve Ticaret Anonim Sirketi and 31.03.2014 in respect of								
i) Fixed Assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
ii) Investments	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
iii) Money lent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
iv) Money Borrowed (other than to meet current liability)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	

RATAN JINDAL
CHAIRMAN & MANAGING DIRECTOR

JITENDER P. VERMA
EXECUTIVE DIRECTOR - FINANCE

PLACE : NEW DELHI
DATE : 29th MAY, 2014

Green Delhi BQS Limited	JSL Media Limited	Jindal Stainless Madencilik Sanayi Ve Ticaret Anonim Sirketi	JSL Logistics Limited	Jindal Aceros Inoxidables S.L.	JSL Group Holdings Pte. Limited	JSL Ventures Pte. Limited	JSL Europe SA	JSL Minerals & Metals SA	Iberjindal S.L.
Holder of 51,000 Equity Shares of ₹10/- each held by holding company directly and 17,224 equity Shares held indirectly through its subsidiary companies i.e. JSL Architecture Limited & Jindal Stainless Steelway Limited out of the subscribed capital of 100,000 Equity Shares of ₹10/- each.	Holder of 49,970 Equity Shares of ₹10/- each out of the subscribed capital of 50,000 Equity Shares of ₹10/- each.	Holder of 4,499,700 Shares of YTL 1 each out of the subscribed capital of 63,40,481 Shares of YTL 1 each.	Holder of 50,000 Equity Shares of ₹10/- each out of the subscribed capital of 50,000 Equity Shares of ₹10/- each.	Holder of 20,000 Equity Shares of EURO 1 each out of the Equity capital of 20,000 Shares of EURO 1 each.	Holder of 6,657,565 Equity Shares of SGD 1 each out of the subscribed capital of 6,657,565 Equity Shares of SGD 1 each.	Holder of 6,838,211 Equity Shares of SGD 1 each out of 6,838,211 Equity Shares of SGD 1 each through wholly owned subsidiary company JSL Group Holdings Pte. Limited.	Holder of 1,000 Equity Shares of CHF 100 each out of 1,000 equity shares of CHF 100 each through wholly owned subsidiary JSL Ventures Pte. Limited.	Holder of 1,000 Equity Shares of CHF 100 each out of 1,000 equity shares of CHF 100 each through wholly owned subsidiary company JSL Europe SA.	Holder of 650,000 Equity Shares of EURO 1 each out of the subscribed capital of 1,000,000 Equity Shares of EURO 1 each.
31st March, 2014	31st March, 2014	31st December, 2013	31st March, 2014	31st December, 2013	31st March, 2014	31st March, 2014	31st March, 2014	31st March, 2014	31st December, 2013
(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
(33,215,042.85)	6,776,238.82	(7,501,322.26)	(847,656.00)	(739,581.00)	(534,144.00)	(525,098.00)	(145,791.00)	(259,538.00)	40,281,150.65
(598,707,587.80)	(340,221,754.39)	(100,822,476.41)	7,384,055.00	(471,217.10)	(2,121,525.00)	(1,893,094.59)	(1,371,066.64)	(2,047,670.00)	(18,140,026.45)
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

JITENDRA KUMAR
COMPANY SECRETARY

TO THE BOARD OF DIRECTORS OF JINDAL STAINLESS LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENT OF JINDAL STAINLESS LIMITED, IT'S SUBSIDIARIES AND ASSOCIATE

We have audited the accompanying consolidated financial statements of Jindal Stainless Limited and its subsidiaries and its interest in a associate (collectively referred to as "the Group"), which comprises the Consolidated Balance Sheet as at 31st March, 2014, and the statement of the Consolidated Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- (b) In the case of consolidated Statement of Profit & Loss Account, of the Loss for the year ended on that date; and
- (c) In the case of consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

Attention is drawn to the following:

- (i) Note no. 49(a)(i) regarding pending necessary approvals for managerial remuneration as explained in the said note.
- (ii) Note no. 30(A)(iv)e read with Note no. 37 (B) and 37 (A) regarding pending confirmation of balances of certain secured loans, trade receivable and payable as stated in the said note.
- (iii) Note no. 39 regarding loss of intangible assets not provided for pending decision of arbitration proceedings; and
- (iv) Note no. 41(a) regarding pending necessary approval as stated in the said note.

Our opinion is not qualified in respect of above matters.

Other Matters

- (a) We did not audit the financial statements of other subsidiaries as stated in Note no. 1(i), whose unaudited financial statements reflect total assets of ₹ 12,533.51 lacs as at 31st March 2014, total revenues of ₹ 13,330.84 lacs and total cash flow of ₹ (208.26) lacs for the year then ended. The said financial statements, which furnished to us by the management, were unaudited. We are unable to express an opinion on true and fair view in so far as it relates to amounts considered in the consolidated financial statements for the reason as stated above.
- (b) (i) We did not audit the financial statements of subsidiaries excepts as stated in Para(b)(ii) herein below, whose financial statements reflect total assets of ₹ 135,005.69 lacs as at 31st March, 2014, total revenue of ₹ 230,440.62 lacs and total cash flow of ₹ (2,520.65) lacs for the year then ended. We also did not audit the financial statements of an associate in whose financial statements the Group's share of loss is ₹ 37.40 lacs for the year ended on 31st March, 2014. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion is solely based on the report of the other auditors.
- (ii) Financial statements of a subsidiary which reflect total assets of ₹ 506.03 lacs as at 31st March, 2014, total revenue of ₹ 392.71 lacs and total cash flow of ₹ (23.46) lacs for the year then ended have been audited by one of the joint auditors of the Company.

For **LODHA & CO.**
Chartered Accountants
FRN 301051E

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
FRN 000756N

(N.K. LODHA)
Partner
Membership No. 85155

(ARUN K. TULSIAN)
Partner
Membership No. 89907

Place : New Delhi
Date : 29th May, 2014

DESCRIPTION	NOTE NO	(₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS			
Share Capital	2	4,623.71	4,081.55
Reserves and Surplus	3	1,573.16	129,873.88
		6,196.87	133,955.43
MINORITY INTEREST			
		2,164.41	1,941.49
NON-CURRENT LIABILITIES			
Long-term borrowings	4	857,614.64	888,408.96
Other Long term liabilities	6	27,659.81	26,309.88
Long-term provisions	7	1,198.39	1,362.48
		886,472.84	916,081.32
CURRENT LIABILITIES			
Short-term borrowings	8	302,055.08	258,985.70
Trade payables	9	294,130.73	302,649.09
Other current liabilities	10	151,763.33	111,053.94
Short-term provisions	7	349.91	289.13
		748,299.05	672,977.86
TOTAL		1,643,133.17	1,724,956.10
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	11		
Tangible assets		972,784.90	1,011,565.95
Intangible assets		4,550.91	3,423.16
Capital work-in-progress		15,676.72	15,248.65
Intangible assets under development		-	846.76
Non-current investments	12	1,778.19	1,958.28
Deferred tax assets (net)	5	1,599.11	127.13
Long-term loans and advances	13	12,884.65	13,268.55
Other non-current assets	14	1,467.67	2,326.79
		1,010,742.15	1,048,765.27
GOODWILL ON CONSOLIDATION			
		671.01	671.01
CURRENT ASSETS			
Current investments	12	69.19	219.54
Inventories	15	370,350.55	361,496.53
Trade receivables	16	169,492.22	193,329.28
Cash and Bank Balances	17	7,281.58	13,649.73
Short-term loans and advances	13	84,084.16	106,370.82
Other current assets	18	442.31	453.92
		631,720.01	675,519.82
TOTAL		1,643,133.17	1,724,956.10
Significant Accounting Policies	1		

Notes referred to above are an integral part of the financial statements

AUDITOR'S REPORT :

In terms of our report of even date annexed hereto.

For LODHA & CO.
Chartered Accountants

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants

RATAN JINDAL
Chairman & Managing Director

JITENDER P. VERMA
Executive Director - Finance

(N.K. LODHA)
Partner
Membership No. 85155
FRN 301051E

(ARUN K. TULSIAN)
Partner
Membership No. 89907
FRN 000756N

JITENDRA KUMAR
Company Secretary

PLACE : New Delhi
DATED : 29th May, 2014

(₹ in Lacs)

DESCRIPTION	NOTE NO	For the year ended 31.03.2014	For the year ended 31.03.2013
INCOME			
Revenue from operations (Gross)	19	1,387,593.60	1,212,847.35
Less : Excise Duty on sales		100,073.73	82,372.94
Revenue from operations (Net)		1,287,519.87	1,130,474.41
Other income	20	3,909.88	3,503.79
TOTAL		1,291,429.75	1,133,978.20
EXPENSES			
Cost of materials consumed		853,061.56	773,916.48
Purchases of Trading Goods		2,815.10	3,331.15
Changes in inventories of finished goods, work in progress and Trading goods	21	1,888.77	(22,479.00)
Employee benefits expenses	22	31,448.42	31,216.26
Finance costs	23	129,513.06	104,343.69
Depreciation and amortization expense	24	72,839.38	74,014.36
Other expenses	25		
Manufacturing Expenses		235,979.07	217,317.32
Administrative Expenses		18,308.31	15,978.97
Selling expenses		42,399.66	40,337.48
TOTAL		1,388,253.33	1,237,976.71
Profit/(Loss) before exceptional and extraordinary items and tax		(96,823.58)	(103,998.51)
Exceptional items - Gain/(Loss)	33	(41,873.54)	(18,399.02)
Profit/(Loss) before tax		(138,697.12)	(122,397.53)
Tax expense			
Provision for current tax		175.53	123.34
MAT credit entitlement		(150.48)	(108.52)
Provision for deferred tax		(1,349.03)	(38,208.48)
Previous year taxation adjustment		(743.28)	(0.03)
Profit/(Loss) before share in Associate and Minority Interest		(136,629.86)	(84,203.84)
Share of Profit/(Loss) from Associate		(37.40)	(41.28)
Share of Profit/(Loss) of Minority		(156.39)	174.30
Net Profit/(Loss) for the year		(136,823.65)	(84,070.82)
Earnings per share (in ₹)	48		
Basic		(66.96)	(44.20)
Diluted		(66.96)	(44.20)
Significant Accounting Policies	1		

Notes referred to above are an integral part of the financial statements

AUDITOR'S REPORT :

In terms of our report of even date annexed hereto.

For LODHA & CO.

Chartered Accountants

For S.S. KOTHARI MEHTA & CO.

Chartered Accountants

RATAN JINDAL

Chairman & Managing Director

JITENDER P. VERMA

Executive Director - Finance

(N.K. LODHA)

Partner

Membership No. 85155

FRN 301051E

(ARUN K. TULSIAN)

Partner

Membership No. 89907

FRN 000756N

JITENDRA KUMAR

Company Secretary

PLACE : New Delhi**DATED :** 29th May, 2014

DESCRIPTION	For the year ended 31.03.2014	(₹ in Lacs) For the year ended 31.03.2013
A. Cash Inflow / (Outflow) from Operating Activities		
Net Profit/(Loss) Before Tax & Exceptional Items	(96,823.58)	(103,998.51)
Adjustment for:		
Depreciation/Amortisation	72,839.38	74,014.36
Provision for Doubtful Debts & Advance / Bad Debts	1,447.99	1,938.99
Previous Year Adjustments (Liability Written Back)	(692.73)	(135.59)
Mine Development Expenditure Written Off	309.59	309.59
Expenses on Employee Stock Option Scheme	(59.01)	61.44
Finance Cost	129,513.06	104,343.69
Interest Income	(4,125.34)	(3,027.32)
Dividend Income	(0.51)	(1.34)
(Profit) / Loss on Sale/Diminution of Investments (Net)	(4.73)	(155.70)
(Profit) / Loss on Sale/Discard of Fixed Assets (Net)	335.31	(175.24)
Operating Profit Before Working Capital Changes	102,739.43	73,174.37
Adjustment for:		
(Increase) / Decrease in Inventories	(8,854.02)	(49,337.87)
(Increase) / Decrease in Trade Receivables	23,091.87	(41,282.92)
(Increase) / Decrease in Loans & Advances	19,595.72	(24,495.62)
Increase / (Decrease) in Liabilities and Provisions	(161.40)	88,903.70
Cash Inflow from Operating Activities Before Exceptional Items	136,411.60	46,961.66
Exceptional items - Gain/(Loss)	(41,873.54)	(18,399.02)
Income Tax (Advance) / Refund (Net)	1,237.10	(382.33)
Net Cash Inflow from Operating Activities	95,775.16	28,180.31
B. Cash Inflow / (Outflow) from Investing Activities		
Sale/Redemption/(purchase) of Investment (Net)	297.78	(175.72)
Capital Expenditure	(16,093.87)	(8,978.68)
Sales Proceeds of Fixed Assets Sold	346.98	1,290.62
Dividend Received	0.51	1.34
Interest Received	3,430.24	2,110.15
Net Cash Outflow from Investing Activities	(12,018.36)	(5,752.29)

DESCRIPTION	For the year ended 31.03.2014	₹ in Lacs) For the year ended 31.03.2013
C. Cash Inflow / (Outflow) from Financing Activities		
Dividend Paid	(24.14)	(19.50)
Interest and Finance Charges Paid	(119,141.43)	(44,982.77)
Debt (serviced)/refundable under CDR	27.85	(544.81)
Proceeds from / (Repayment of) Borrowings (net)	19,928.85	7,347.29
Issue of Equity Share/Cumulative Compulsory Convertible Preference Shares	10,000.01	10,027.00
Minority Interest	66.53	20.76
Net cash outflow from Financing Activities	(89,142.33)	(28,152.03)
Change in Currency Fluctuation arising on Consolidation	(1,532.16)	(1,599.58)
Net Changes in Cash & Cash Equivalents	(6,917.69)	(7,323.59)
Cash & Cash Equivalents (Closing Balance)	7,556.75	14,474.44
Cash & Cash Equivalents (Opening Balance)	14,474.44	21,798.03
Net Changes in Cash & Cash Equivalents	(6,917.69)	(7,323.59)
Notes:		
1) Cash and cash equivalents includes :-		
Cash, Cheques and Stamps in hand	1,005.61	1,961.41
Balance with Banks	6,551.06	12,512.97
Puja & Silver Coins	0.08	0.06
	7,556.75	14,474.44
2) Increase in Paid Up Capital and Securities Premium on account of Conversion of Foreign Currency Convertible Bonds are cash neutral and as such not considered in this statement.		
3) Previous year's figures have been regrouped and rearranged wherever considered necessary.		

AUDITOR'S REPORT :

In terms of our report of even date annexed hereto.

For LODHA & CO.
Chartered Accountants

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants

RATAN JINDAL
Chairman & Managing Director

JITENDER P. VERMA
Executive Director - Finance

(N.K. LODHA)
Partner
Membership No. 85155
FRN 301051E

(ARUN K. TULSIAN)
Partner
Membership No. 89907
FRN 000756N

JITENDRA KUMAR
Company Secretary

PLACE : New Delhi
DATED : 29th May, 2014

NOTE NO – 1 SIGNIFICANT ACCOUNTING POLICIES**i) Basis of Preparation of Financial Statements:**

Jindal Stainless Limited has prepared consolidated financial statements by consolidating its accounts with those of its following subsidiaries and associates, as on 31.03.2014, in accordance with Accounting Standard (AS) 21 (Consolidated Financial Statements) and Accounting Standard (AS) 23 (Accounting for Investments in Associates in Consolidated Financial Statements) issued by The Institute of Chartered Accountants of India.

Name	Country of Incorporation	%Age Shareholding/ Voting Power	
		31.03.2014	31.03.2013
Subsidiaries			
PT. Jindal Stainless Indonesia	Indonesia	99.999%	99.999%
Jindal Stainless Steelway Limited	India	81.911%	81.911%
JSL Architecture Limited	India	74.887%	74.887%
JSL Lifestyle Limited	India	78.47%	78.47%
Jindal Stainless UK Limited	UK	100.00%	100.00%
Jindal Stainless FZE	UAE	100.00%	100.00%
Jindal Stainless Italy S r l #	Italy*	100.00%	100.00%
JSL Venturea Pte. Limited ##	Singapore*	100.00%	100.00%
JSL Europe S A ###	Switzerland*	100.00%	100.00%
JSL Minearls & Metals S A ####	Switzerland*	100.00%	100.00%
JSL Group Holdings Pte. Limited	Singapore*	100.00%	100.00%
Jindal Aceros Inoxidable S.L.	Spain*	100.00%	100.00%
Jindal Logistics Limited	India	100.00%	100.00%
Green Delhi BQS Limited	India	68.224%	68.224%
JSL Media Limited	India	99.94%	99.94%
Jindal Stainless Madencilik Sanayi Ve Ticaret AS	Turkey*	70.968%	73.55%
Iberjindal S. L.	Spain*	65.00%	65.00%
Associate			
J.S.S. Steelitalia Limited	India	33.00%	33.00%

* Un-audited statements have been considered for the purpose of consolidation.

Step down Subsidiary of Jindal Stainless UK Limited.

Step down Subsidiary of JSL Group Holdings Pte. Limited.

Step down Subsidiary of JSL Ventures Pte. Limited.

Step down Subsidiary of JSL Europe SA

- ii) The Financial Statements of parent Company and its subsidiaries have been consolidated on line-by-line basis by adding together book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions. In case of associates, where Company holds directly or indirectly through subsidiaries 20% or more equity or / and exercises significant influence, investments are accounted for by using equity method in accordance with Accounting Standard (AS) 23 – “Accounting for investments in associates in Consolidated Financial Statements”.
- iii) Foreign Subsidiaries- Operations of Foreign Subsidiaries has been considered by management non-integral; thus items of the assets and liabilities, both monetary and non-monetary, have been translated at the exchange rates prevailing at the end of the year and items of income and expenses have been translated at the average rate prevailing during the period. Resulting exchange differences arising on translation of said items have been transferred to Foreign Currency Translation Reserve Account.
- iv) Since foreign subsidiaries are in same line of business which function in different regulatory environment, certain policies such as in respect of depreciation/amortization, retirement benefits, preliminary expenditure etc. are differ than the policies followed by the holding company. The notes on accounts and policies followed by subsidiaries and holding company are disclosed in their respective financial statements.
- v) Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with Parent company's financial statements.

NOTE DESCRIPTION NO	₹ in Lacs	
	As at 31.03.2014	As at 31.03.2013
2 SHARE CAPITAL		
AUTHORISED		
445,000,000 (475,000,000) Equity Shares of ₹2/- each	8,900.00	9,500.00
30,000,000 (Nil) 0.10% Cumulative Compulsory Convertible Preference Shares of ₹2/- each	600.00	-
	9,500.00	9,500.00
ISSUED, SUBSCRIBED AND PAID UP		
215,375,005 (204,077,547) Equity Shares of ₹2/-each fully paid up	4,307.50	4,081.55
15,810,440 (Nil) 0.10% Cumulative Compulsory Convertible Preference Shares of ₹2/- each fully paid up	316.21	-
TOTAL - SHARE CAPITAL	4,623.71	4,081.55

(a)	RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR	EQUITY SHARES		PREFERENCE SHARES	
		31.03.2014 No. of Shares	31.03.2013 No. of Shares	31.03.2014 No. of Shares	31.03.2013 No. of Shares
	Equity Shares outstanding at the beginning of the year	204,077,547	189,505,625	-	-
	Shares issued during the year				
	On Conversion of Foreign Currency Convertible Bonds	547,458	1,021,922	-	-
	On Issue of Shares on Preferential Basis	10,750,000	13,550,000	15,810,440	-
	Shares outstanding at the end of the year	215,375,005	20,40,77,547	15,810,440	-

5,492,833 Equity shares of ₹2/- each fully paid up have been allotted to the holders of 3,010 (2,710) Foreign Currency Convertible Bonds of US \$ 5000/- each at predetermined (as per scheme) conversion rate of ₹119.872 each during the last five years.

(b) (i) **TERMS/RIGHT ATTACHED TO EQUITY SHARES**

The company has only one class of equity shares having a par value of Rs.2 per share. Each shareholder is eligible for one vote per equity share held [other than the shares represented by Regulation S Global Depository Shares (the "GDSs") issued by the Company whose voting rights are subject to certain conditions and procedure as prescribed under the Regulation S Deposit Agreement]. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and also has equal right in distribution of Profit/Surplus in proportions to the number of equity shares held by the shareholders.

As on 31st March 2014, 8,802,167 GDSs (8,802,167 GDSs) with 17,604,334 underlying equity shares (17,604,334 equity shares) were outstanding. Each GDS represents 2 underlying equity shares of the Company.

(ii) TERMS/RIGHTS ATTACHED TO CUMULATIVE COMPULSORY CONVERTIBLE PREFERENCE SHARES (CCCPs)

On 31st March, 2014, the Company has issued & allotted 15,810,440 number 0.10% Cumulative Compulsory Convertible Preference Shares (CCCPs) of ₹2/- each. The holder of the CCCPS shall have an option to apply for and be allotted one Equity Share of face value of ₹2 of the Company per CCCPS at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment. The unconverted CCCPS shall compulsorily get converted into equity shares at the end of 18 months from the date of allotment. These CCCPS are subject to the provisions of Memorandum and Articles of Association of the Company. The Equity Shares arising on conversion of CCCPS shall rank pari passu inter se with the then existing Equity Shares of the Company in all respect, including dividend. The holder of CCCPS shall have a right to vote only on resolution placed before the Company which directly affect the rights attached to his preference share.

(c) (i) EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:

NAME OF THE SHAREHOLDER	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	% holding	No. of Shares	% holding
JSL Overseas Holding Limited (Formerly Jindal Overseas Holdings Limited)	27,700,000	12.86%	27,700,000	13.57%
Reliance Capital Trustee Co. Ltd- A/C Reliance Diversified Power Sector Fund	11,872,681	5.51%	11,939,931	5.85%
Citigroup Global Markets Mauritius Private Ltd.	11,904,296	5.53%	11,904,296	5.83%
Hypnos Fund Limited	10,301,711	4.78%	10,301,711	5.05%

(ii) PREFERENCE SHARE IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER

NAME OF THE SHAREHOLDER	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	% holding	No. of Shares	% holding
JSL Overseas Limited	15,810,440	100.00%	-	0.00%

(d) EQUITY SHARES RESERVED FOR ISSUE UNDER OPTIONS

(i) For details of shares reserved for issue under the Employee Stock Option Scheme, 2010 of the company, please refer Note No. 38

(ii) For details of shares reserved for issue on conversion of Foreign Currency Convertible Bonds, please refer Note No.4 (f) regarding terms of conversion.

NOTE NO	DESCRIPTION	(₹ in Lacs)	
		As at 31.03.2014	As at 31.03.2013
3	RESERVES AND SURPLUS		
(a)	CAPITAL REDEMPTION RESERVE	2,000.00	2,000.00
(b)	CURRENCY CONVERSION	(3,233.40)	(2,929.55)
(c)	SECURITY PREMIUM RESERVE		
	As per last account	90,949.27	79,988.71
	Add : On Conversion of Foreign Currency Convertible Bonds	645.30	1,204.56
	Add : On Issue of Equity Shares	3,832.38	9,756.00
	Add : On Issue of 0.10% Cumulative Compulsory Convertible Preference Shares	5,636.42	-
		101,063.37	90,949.27
(d)	DEBENTURE REDEMPTION RESERVE		
	As per last account	6,419.84	6,796.96
	Less: Written Back during the year	313.59	377.12
		6,106.25	6,419.84
(e)	EMPLOYEE STOCK OPTION OUTSTANDING		
	Employee Stock Option Outstanding	485.88	640.74
	Less : Deferred Employees Compensation Expenditure	19.06	114.91
		466.82	525.83
(f)	GENERAL RESERVE		
	As per last account	32,050.46	62,657.02
	Add : Transferred from Statement of Profit and Loss	41.63	8.04
	Less : Towards deficit in Statement of Profit and Loss	32,092.09	30,614.60
		-	32,050.46
(g)	FOREIGN CURRENCY TRANSLATION RESERVE	(531.11)	697.20
(h)	CENTRAL/STATE SUBSIDY RESERVE	39.27	39.27
(i)	AMALGAMATION RESERVE	121.56	121.56
(j)	SURPLUS /(DEFICIT) IN STATEMENT OF PROFIT AND LOSS		
	As per last account	-	53,087.14
	Add : Profit/(Loss) after Tax for the year	(136,823.65)	(84,070.82)
	Add : Debenture Redemption Reserve Written Back	313.59	377.12
	NET PROFIT	(136,510.06)	(30,606.56)
	Less : Transferred to General Reserve	41.63	8.04
	Less : Being Deficit, Set off from General Reserve	32,092.09	30,614.60
	Net Surplus/(Deficit) in the Statement of Profit and Loss	(104,459.60)	-
	TOTAL - RESERVE & SURPLUS	1,573.16	129,873.88

(₹ in Lacs)

NOTE NO	DESCRIPTION	Non - Current Portion		Current Maturity	
		As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
4	LONG-TERM BORROWINGS				
	SECURED				
	(a) DEBENTURES				
	Redeemable Non-Convertible Debentures	23,675.00	24,675.00	750.00	190.00
		23,675.00	24,675.00	750.00	190.00
	(b) TERM LOAN FROM BANKS				
	Rupee term loan	578,891.95	572,407.85	24,783.22	6,887.28
	Foreign currency loans	141,527.60	132,757.20	4,996.83	4,184.90
		720,419.55	705,165.05	29,780.05	11,072.18
	(c) FUNDED INTEREST TERM LOANS				
	From Banks	97,297.28	100,394.37	1,701.39	397.77
	From Others	6,213.78	6,372.68	116.26	29.83
		103,511.06	106,767.05	1,817.65	427.60
	(d) BUYERS CREDIT AGAINST CAPITAL GOODS				
	In Foreign Currency	3,789.58	41,302.36	-	-
		3,789.58	41,302.36	-	-
	(e) CAR LOAN FROM BANKS	18.07	12.38	7.40	7.80
	TOTAL - SECURED	851,413.26	877,921.84	32,355.10	11,697.58
	UNSECURED				
	(f) BONDS				
	Foreign Currency Convertible Bonds	-	814.35	-	-
	(g) INTER CORPORATE LOAN	4,078.89	7,502.87	-	-
	(h) PUBLIC FIXED DEPOSITS	2,122.49	1,762.16	356.57	772.25
	(i) LONG TERM MATURITIES OF FINANCE LEASE OBLIGATIONS	-	407.74	-	199.53
	TOTAL - UNSECURED	6,201.38	10,487.12	356.57	971.78
	Less: Amount disclosed under the head other current liabilities			32,711.67	12,669.36
	TOTAL - LONG TERM BORROWINGS	857,614.64	888,408.96	-	-

Secured Borrowings

[read with Note no. 30 and 37 (B)]

- a) 9.75% * Redeemable Non-Convertible Debentures (** now carrying floating rate of interest*) of ₹1,000,000 each, amounting to ₹24,425.00 Lacs (₹24,865.00 Lacs) are redeemable in quarterly installments of, ₹250.00 Lacs each during 2014-15 to 2016-17 (excluding already paid first installment of ₹250.00 Lacs), ₹812.50 Lacs each during 2017-18 and thereafter ranging from ₹1,000.00 Lacs to ₹1,187.50 Lacs during 2018-19 to 2021-22. Debentures are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished good, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- b) (i) Rupee Term Loans from banks amounting to ₹205,483.70 Lacs (₹207,481.16 Lacs) are repayable in quarterly installments of, ₹2,082.31 Lacs each during 2014-15 to 2016-17, ₹6,767.51 Lacs each during 2017-18 and thereafter ranging from ₹8,329.24 Lacs to ₹9,890.97 Lacs during 2018-19 to 2021-22. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (ii) Rupee Term Loans from banks amounting to ₹274,367.47 Lacs (₹248,021.62 Lacs) are repayable in quarterly installments of, ₹2,900.00 Lacs each during 2014-15 to 2016-17, ₹8,700.00 Lacs each during 2017-18 and thereafter ranging from ₹10,875.00 Lacs to ₹15,950.00 Lacs during 2018-19 to 2021-22. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (iii) Rupee Term Loan from banks amounting to ₹49,108.75 Lacs (₹47,456.88 Lacs) is repayable on 31st March, 2022. The loan is secured by second pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.

- (iv) Rupee Term Loans from banks amounting to ₹69,845.20 Lacs (₹70,503.19 Lacs) are repayable in quarterly installments of, ₹707.66 Lacs each during 2014-15 to 2016-17, ₹2,299.90 Lacs each during 2017-18 and thereafter ranging from ₹2,830.65 Lacs to ₹3,361.40 Lacs during 2018-19 to 2021-22. The loans are Secured by second pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (v) (i) Rupees Term Loan Amounting to ₹1,694.60 Lacs (₹2,846.01 Lacs) are repayable ; a) Term Loan ₹488.73 lacs carries interest @13.50% p.a. the loan is repayable in 11 monthly installments of ₹39.41 Lacs each along with interest and the last installment of ₹55.22 lacs due on March 15 & b) Term Loan ₹1,205.87 lacs carries interest @ 13.50% p.a. the loan is repayable in 26 monthly installments of ₹45.82 Lacs each along with interest and the last installment of ₹14.55 lacs due on June 2016. The loan is Secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future of the company and Second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (ii) Term Loan ₹491.39 lacs (₹Nil) carries interest @ 14.50% p.a. the loan is repayable in 4 half yearly installments of ₹96.88 Lacs each along with interest and the last installment of ₹103.87 lacs due on September 2016 . The Loan is secured by way of Hypothecation over the cut to length machine under lease.
- (vi) Rupee Term Loan amounting to ₹2,122.50 Lacs (₹2,319.17 Lacs). The term loan carries interest @ 14.00 % p.a. The loan is repayable as under:- 1-2 Monthly installment of ₹20.17 lacs each, 3-14 monthly installments of ₹56.97 lacs each, 15-26 monthly installment of ₹63.02 lacs each, 27-38 monthly installment of ₹63.02 lacs each, 39-43 monthly installment of ₹102.85 lacs and the last installment of ₹128.03 lacs due on November 2016. The loan is secured by subservient charge over current assets and movable fixed assets both present & future.
- (vii) Rupee Term Loan amounting to ₹561.56 Lacs (₹667.10 lacs) are payable ; a) Term Loan ₹34.96 lacs carries interest @ 13.75% p.a. The loan is repayable in 2 quarterly installments of ₹11.30 lacs and the last installment of ₹12.36 lac due on December 2014. b) Term Loan amounts ₹526.60 lacs carries interest @ 13.75% p.a. The loan is repayable in 14 quarterly installments of ₹36.50 lacs each and last installment is payable for ₹15.60 lacs due on December 2014. The Loan is Secured by way of mortgage of land situated at village Pathreri, Gurgaon & hypothecation of fixed assets of the company and extension of charge by way of hypothecation of Current Assets of the company.
- (viii) Foreign Currency Loans from banks amounting to ₹7,261.96 Lacs (₹6,646.10 Lacs) are repayable in quarterly installments of, ₹73.35 Lacs each during 2014-15 to 2016-17, ₹220.06 Lacs each during 2017-18 and thereafter ranging from ₹275.07 Lacs to ₹403.44 Lacs during 2018-19 to 2021-22. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (ix) Foreign Currency Loans from banks amounting to ₹134,071.00 Lacs (₹122,152.50 Lacs) are repayable in structured installments of ₹561.75 Lacs in 2014-15, ₹15,541.75 Lacs in 2015-16, ₹29,772.75 Lacs in 2016-17, ₹22,470.00 Lacs in 2017-18 and ₹21,908.25 Lacs each during 2018-19 to 2020-21. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (x) Foreign Currency Loans from bank amounting to ₹5,191.47 Lacs (₹8,143.50 Lacs) are repayable in 14 equal monthly installments of ₹345.14 Lacs each from April, 2014 and balance one installment of ₹359.52 Lacs (in total 15 nos.). The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and Second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- c) (i) Funded Interest Term Loans (I) from banks amounting to ₹45,579.11 Lacs (₹46,394.00 Lacs) (including ₹3,782.38 Lacs (₹3,850.96 Lacs) from Financial Institutions) are repayable in quarterly installments of, ₹464.96 Lacs each during 2014-15 to 2016-17 (excluding first installment amounting to ₹42.17 Lacs paid), ₹1,511.10 Lacs each during 2017-18 and thereafter ranging from ₹1,859.82 Lacs to ₹2,208.54 Lacs during 2018-19 to 2021-22. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (ii) Funded Interest Term Loans (II) from banks amounting to ₹59,749.60 Lacs (₹60,800.65 Lacs) (including ₹2,547.66 Lacs (₹2,551.54 Lacs) from Financial Institutions) are repayable in 20 quarterly installments of ₹1,899.96 Lacs each starting from 31st October 2015 till 31st July 2017, ₹3,799.93 Lacs each starting from 31st October 2017 and ending on 31st July 2020. The loans are secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.

- d) Buyers Credit amounting to ₹3,789.58 Lacs (₹41,302.35 Lacs) are backed by letter of undertaking issued by Rupee Term Loan lenders under a sub limit of their respective Rupee Term Loans. Upon final maturity date (i.e. ₹3,789.58Lacs in year 2014-15) the respective buyers credit amount would be converted into respective lender Rupee Term Loan to the extent of their available undisbursed amount. These Buyers Credit (being a sub limit) are secured through their respective Rupee Term Loan by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable.
- (a,b,c,d) Above Term Loans amounting to ₹739,610.38 Lacs (including Funded Interest Term Loan ₹105,328.71 Lacs, Debentures amounting to ₹24,425.00 Lacs and Buyers Credit amounting to ₹3,789.58 Lacs) are also secured by additional securities as mentioned in Note No.30 (A) (iv).
- e) Secured by way of hypothecation of vehicles purchased there under and payable for the terms of the agreement

Unsecured Borrowings

- f) In December 2010, the Foreign Currency Convertible Bonds (FCCB) were restructured with zero coupon and termed as "Convertible Bonds due December 24, 2019". Unless previously redeemed, repurchased and cancelled, or converted, these Bonds were redeemable at 176.28% of their principal amount on 24th December 2019. These Bonds at the option of the holder, may be converted into Equity Shares of face value of ₹2/- each, at a pre-determined price of ₹119.872/- per share.

During the year, the Company has received conversion notice for entire remaining 300 (560) FCCBs amounting to USD 1.50 million (USD 2.80 million) and subsequently the company has allotted 547,458 (1,021,922) fully paid equity shares. Thus, the outstanding FCCBs as on 31st March, 2014 were Nil.

- g) Fixed deposits from public have a maturity period of 2 and 3 years from the date of deposits as the case may be and repayable as & when due.

NOTE NO	DESCRIPTION	Deferred Tax Liability/Asset as at 31.03.2013	Charge/(Credit) for the Year	Deferred Tax Liability/Asset as at 31.03.2014
5	DEFERRED TAX LIABILITY (NET)			
	(a) DEFERRED TAX LIABILITY			
	Difference between book & tax depreciation	114,375.21	6,219.71	120,594.92
	Difference between book & tax land right amortization*	2.00	(2.00)	-
	Total Deferred Tax Liability	114,377.21	6,217.71	120,594.92
	(b) DEFERRED TAX ASSETS			
	Disallowance under Section 43B	38,098.13	(3,476.14)	34,621.99
	Provision for doubtful debts & advances*	650.94	228.02	878.96
	Provisions for Employee Benefits	396.33	(49.10)	347.23
	Fiscal Loss *	1,028.83	(89.97)	938.86
	Post Employment Benefit*	80.46	19.22	99.68
	Disallowance under Income Tax*	73.62	88.49	162.11
	Carry Forward Losses/Unabsorbed Depreciation	73,292.89	11,214.35	84,507.24
	Provision for MTM Losses & Diminution in Investments	883.14	(245.18)	637.96
	Total Deferred Tax Assets	114,504.34	7,689.69	122,194.03
	DEFERRED TAX LIABILITY (net)	(127.13)	(1,471.98)	(1,599.11)

* Relates to Foreign Subsidiary and include on account of foreign currency fluctuation ₹122.95 Lacs (₹8.45 Lacs)

-- Considering the prudence and the losses in the past three years, no deferred tax assets (net) have been created holding company.

NOTE NO	DESCRIPTION	As at 31.03.2014	As at 31.03.2013
6	OTHER LONG TERM LIABILITIES		
	Creditors for Capital Expenditure	15,954.30	14,073.57
	Security Deposits	850.00	950.00
	Interest accrued but not due on borrowings	138.52	46.73
	Other Outstanding Liabilities *	10,716.99	11,239.58
	TOTAL - OTHER LONG TERM LIABILITIES	27,659.81	26,309.88

* Includes ₹10,707.45 lacs (₹11,227.32 lacs) payable to a bank in 2 and 36 monthly installments (total 38 installments) of ₹134.97 Lacs and ₹342.70 Lacs (including interest) respectively.

NOTE NO	DESCRIPTION	Long-Term		Short-Term	
		As at	As at	As at	As at
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
7	PROVISIONS				
	For Employee Benefits	1,198.39	1,362.48	349.91	289.13
	TOTAL - PROVISIONS	1,198.39	1,362.48	349.91	289.13

NOTE NO	DESCRIPTION	As at	
		31.03.2014	31.03.2013
		8	SHORT TERM BORROWINGS
	SECURED		
	(a) Working capital facilities from bank	2,33,718.15	86,846.51
	(b) Buyer credit in foreign currency		
	Against working capital	64,668.31	169,318.57
	Against capital goods	-	781.19
	TOTAL - SECURED	2,98,386.46	2,56,946.27
	UNSECURED		
	(c) Loan repayable on demand	-	1,612.35
	(d) Public Fixed Deposits	556.56	285.46
	(e) Loan from Body Corporate	3,112.06	141.62
	TOTAL - UNSECURED	3,668.62	2,039.43
	TOTAL - SHORT TERM BORROWINGS	3,02,055.08	2,58,985.70

Secured Borrowings

[read with Note No. 30 & 37 (B)]

- (a) (i) Working Capital Facilities of ₹177,290.32 Lacs (₹33,993.10 lacs) are secured by way of hypothecation and/or pledge of current assets namely finished good, raw material, work in progress, consumable stores and spares, book debts, bill receivable and by way of second charge in respect of other moveable and immoveable properties of the Company. Working Capital Facility is repayable on demand.
- (ii) Working capital loans of ₹12,132.41 Lacs (₹12,641.92 Lacs) secured by way of hypothecation of finished goods, raw-materials, work-in-progress, stores and spares, book debts and by way of second charge in respect of other moveable and immoveable properties ranking pari-passu with other Banks/Financial Institutions.
- (iii) Working capital loans of ₹41,796.14 Lacs (₹36,022.25 Lacs), obtained by subsidiary PT. Jindal Stainless Indonesia is collateralized by fixed assets, inventories and letter of comfort/undertaking for non disposing of equity investment in PT Jindal Stainless Indonesia by Holding Company and further ₹2,499.28 (4,189.23) lacs is collateralized by fixed assets and inventories.
- (b) (i) Buyer Credit Facility amounting to ₹64,668.31 Lacs (₹1,69,318.57 Lacs) are secured by way of hypothecation and/or pledge of current assets namely finished good, raw material, work in progress, consumable stores and spares, book debts, bill receivable and by way of second charge in respect of other moveable and immoveable properties of the Company.
- (ii) Buyers credit amounting to ₹ Nil (₹781.19 Lacs) are secured by exclusive charge over the entire assets financed by state bank of india for Hisar project by way of hypothecation.
- (a,b) Working Capital facility from bank amounting to ₹1,70,901.17 Lacs and Working capital Buyers Credit amounting to ₹64,668.31 Lacs are also secured by additional security as mentioned in Note No. 30(A)(iv).

NOTE NO	DESCRIPTION	₹ in Lacs	
		As at 31.03.2014	As at 31.03.2013
9	TRADE PAYABLES		
	Trade Payables (Including Acceptances)		
	Dues to Micro and Small enterprises	245.05	102.65
	Dues to other than Micro and Small enterprises	293,885.68	302,546.44
	TOTAL TRADE PAYABLES	294,130.73	302,649.09

NOTE NO	DESCRIPTION	₹ in Lacs	
		As at 31.03.2014	As at 31.03.2013
10	OTHER CURRENT LIABILITIES		
	Current maturities of Long term Borrowings. (Note No. 4)	32,711.67	12,469.83
	Current maturities of finance lease obligations (Note No. 4)	-	199.53
	Interest accrued but not due on borrowings.	10,209.22	3,804.02
	Interest accrued and due on borrowings.	3,224.75	242.16
	Advance from customers	30,203.33	24,635.38
	Security Deposits from Agents/Dealers/Others	172.27	159.37
	Application money refundable	157.65	7.85
	Creditors for capital expenditure	10,667.20	26,572.74
	Other outstanding liabilities*	64,195.69	42,651.20
	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due		
	Unpaid dividend	58.30	82.44
	Unpaid matured deposits and interest accrued thereon	163.25	229.42
	TOTAL - OTHER CURRENT LIABILITIES	151,763.33	111,053.94

* Includes statutory dues.

* Includes ovedue amount of ₹269.94 Lacs (including interest of ₹182.60 Lacs) payable to a bank in two monthly instalments since 1st Feb., 2014.

NOTE NO	DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
		AS AT ADDITIONS 01.04.2013	SALE/ ADJUSTMENT	AS AT 31.03.2014	AS AT 01.04.2013	DURING THE YEAR	ON SALE/ ADJUSTMENT	AS AT 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
11	FIXED ASSETS									
A	TANGIBLE ASSETS									
	LAND *	18,033.11	130.28	18,344.41	491.91	85.96	(6.17)	584.04	17,760.37	17,541.19
	BUILDINGS **	150,393.05	721.01	151,388.39	14,813.09	4,656.95	(101.20)	19,571.24	131,817.15	135,579.96
	PLANT & MACHINERY ***	1,123,274.41	30,238.07	1,147,249.13	280,230.58	65,260.25	7,102.30	338,388.53	808,860.60	843,043.83
	ELECTRIC INSTALLATION	15,772.53	175.94	15,948.33	4,525.52	887.70	0.02	5,413.20	10,535.13	11,247.01
	VEHICLES	3,614.46	143.33	3,556.30	1,939.19	332.88	124.79	2,147.28	1,409.02	1,675.28
	FURNITURE FIXTURES & EQUIPMENTS	2,510.81	282.47	2,788.94	1,307.55	179.20	0.33	1,486.42	1,302.52	1,203.25
	OFFICE EQUIPMENT	2,204.09	43.49	2,317.13	1,383.85	86.92	(77.15)	1,547.92	769.21	820.24
	POWER LINE AND BAY EXTENSION	1,211.87	-	1,211.87	759.80	121.17	-	880.97	330.90	452.07
	TOTAL TANGIBLE ASSETS	1,317,014.33	31,734.59	1,342,804.50	305,451.49	71,611.03	7,042.92	370,019.60	972,784.90	1,011,562.83
	PREVIOUS YEAR	1,238,154.15	79,799.74	1,317,017.97	232,292.26	73,218.11	58.35	305,452.02	1,011,565.95	-
B	INTANGIBLE ASSETS									
	TECHNICAL KNOW HOW	1,369.18	-	1,369.18	1,121.03	136.90	-	1,257.93	111.25	248.15
	COMPUTER SOFTWARE	1,144.47	2,386.63	2,536.77	1,060.17	447.79	994.73	513.23	2,023.54	84.30
	BUS Q SHELTER CONCESSION RIGHT	5,862.39	-	5,805.95	2,768.59	643.66	22.42	3,389.83	2,416.12	3,093.81
	TOTAL INTANGIBLE ASSETS	8,376.04	2,386.63	9,711.90	4,949.79	1,228.35	1,017.15	5,160.99	4,550.91	3,426.26
	CAPITAL WORK IN PROGRESS ****	8,314.86	18.93	8,372.43	4,142.84	796.24	(10.19)	4,949.27	3,423.16	15,248.65
	INTANGIBLE ASSETS UNDER DEVELOPMENT									846.76

NOTE

* Land includes land acquired on lease amounting to ₹7,278.57 Lacs and amount amortize thereon during the year is ₹85.96 Lacs (₹92.90 Lacs)

* Land include ₹953.05 Lacs (₹953.05 Lacs) jointly owned with other body corporate with 50% share.

** Building include ₹308.77 Lacs (247.90 Lacs) jointly owned with other body corporate with 50% share

*** Include Plant & machinery acquired on Lease amounting to ₹1,174.23 Lacs (₹1,171.73 Lacs) and depreciation thereon during the year is ₹62.04 Lacs (₹61.55Lacs).

\$ Sales/adjustment in respect of Gross Block and Depreciation includes ₹3,216.96 Lacs (₹308.14 Lacs) and ₹1,469.79 Lacs (₹114.48 Lacs) respectively for adjustment of Foreign Exchange Fluctuation.

**** Include Project Inventory ₹1,389.18 Lacs (₹2,131.62 Lacs).

(₹ in Lacs)

NOTE NO	DESCRIPTION	As at 31.03.2014 Face Value			As at 31.03.2013 Face Value		
		Nos.	(₹)	Amount	Nos.	(₹)	Amount
12	INVESTMENTS						
	NON - CURRENT INVESTMENTS						
	LONG TERM INVESTMENTS - AT COST						
	A Equity Shares Fully Paid Up -Trade Unquoted						
	Arian Resources Corp. (Formerly Golden Touch Resources Corporation).	111,102		179.59	555,512		179.59
	MJSJ Coal Limited #	8,559,000	10	855.90	8,559,000	10	855.90
	JSL Energy Limited	1,000	10	0.10	1,000	10	0.10
	Jindal Synfuels Limited \$	100,000	10	10.00	-		-
	TOTAL (A)			1,045.59			1,035.59
	B Equity Shares Fully Paid Up of Associate Company - Trade - Unquoted						
	J.S.S. Steeltalia	7,713,190	10	771.32	7,713,190	10	771.32
	Share in Profit/(Loss) from Associate			(400.03)			(354.38)
	TOTAL (B)			371.29			416.94
	C Govt./Semi Govt. Securities - Non Trade						
	12.40% Government of India Stocks	-		-	40,000	1	41.14
	National Savings Certificate *			1.12			1.02
	8.40% Transmission Corp. of A.P. Limited	-	-	-	10	1,000,000	103.40
	7.50% Bank of India	4	1,000,000	40.00	4	1,000,000	40.00
	7.64% KSFC 2018	10	1,000,000	97.71	10	1,000,000	97.71
	8.57% Andhra Pradesh SDL 2020	220,000	100	222.48	220,000	100	222.48
	TOTAL (C)			361.31			505.75
	TOTAL NON CURRENT INVESTMENT			1,778.19			1,958.28
	CURRENT INVESTMENTS (At lower of Cost and Fair Value)						
	D Equity Shares Fully Paid Up - Non Trade Quoted						
	Bhartiya International Limited	22,025	10	44.80	94,884	10	190.10
	Central Bank of India	7,247	10	3.61	7,247	10	4.83
	Hotel Leela Ventures Limited	90,000	2	14.31	90,000	2	18.14
	Adani Ports and Special Economic Zone Ltd.	7,355	2	6.47	7,355	2	6.47
	TOTAL CURRENT INVESTMENT			69.19			219.54
	TOTAL - INVESTMENTS			1,847.39			2,177.82

Investment in terms of agreement with Mahanadi Coalfield Limited & Others, as Investor.

\$ Investment in terms of agreement with Jindal Steel & Power Limited & Others, as Investor.

* Lodged with Government Authorities as Security.

Aggregate value of Current Investment	69.19	219.54
Aggregate value of unquoted Investment	1,778.19	1,958.28
Aggregate value of quoted investment	69.19	219.54
Market value of quoted investment	76.51	223.27
Aggregate provision made for the diminution in value of Current investments	64.20	75.80

(₹ in Lacs)

NOTE NO	DESCRIPTION	Long-Term		Short-Term	
		As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
13	LOANS AND ADVANCES				
	(Unsecured, considered good unless otherwise stated)				
	Advance Recoverable in Cash or in kind or the value to be received [Net of Provision of ₹2,195.63 Lacs (₹1,492.83Lacs)]	1,350.21	1,331.98	38,089.48	46,774.63
	Capital advances	2,646.59	4,186.88	-	-
	Security deposits [Net of Provision of ₹54.00 Lacs (₹54.00 Lacs)]	6,127.40	5,505.39	1,243.34	1,342.54
	Loans to body corporate	2,760.45	2,244.30	-	38.80
	Advances to supplier	-	-	18.95	-
	Prepaid Taxes [Net of Provision of ₹17,242.41 Lacs (₹38,746.41 Lacs)]	-	-	11,650.68	11,846.42
	MAT Credit Entitlement *	-	-	7,162.18	6,846.82
	Balance with Excise and Sale tax Authorities	-	-	25,919.53	39,521.61
	TOTAL - LOANS AND ADVANCES	12,884.65	13,268.55	84,084.16	106,370.82

* The Management is confident about the realisability of the same

(₹ in Lacs)

NOTE NO	DESCRIPTION	As at 31.03.2014	As at 31.03.2013
14	OTHER NON CURRENT ASSETS		
	Deposit with original Maturity of more than 12 month	275.17	824.71
	Mine Development Expense	1,192.50	1,502.08
	TOTAL - OTHER NON CURRENT ASSETS	1,467.67	2,326.79

(₹ in Lacs)

NOTE NO	DESCRIPTION	As at 31.03.2014	As at 31.03.2013
15	INVENTORIES		
	(As taken, valued and certified by the Management)		
	(valued at lower of cost and net realisable value unless otherwise stated)		
	Raw Materials [Including material in Transit ₹57,222.94 Lacs (₹56,991.43 Lacs)]	101,382.19	99,985.07
	Work in Progress	100,702.89	93,906.87
	Finished Goods	131,105.55	139,484.57
	Trading Goods	178.46	178.46
	Store and Spares [Including material in Transit ₹1,729.68 Lacs (₹1,219.88 Lacs)]	34,187.31	25,278.09
	Scrap (at estimated realizable value)	2,794.15	2,663.47
	TOTAL - INVENTORIES	370,350.55	361,496.53

NOTE NO	DESCRIPTION	(₹ In Lacs)	
		As at 31.03.2014	As at 31.03.2013
16	TRADE RECEIVABLES		
	(Unsecured, Considered goods unless otherwise stated)		
	(a) EXCEEDING SIX MONTHS FROM THE DUE DATE OF PAYMENT		
	Unsecured, Considered good	18,252.29	16,794.02
	Doubtful	4,826.79	4,380.53
	Less : Provision for doubtful receivable	4,826.79	4,380.53
		18,252.29	16,794.02
	(b) OTHERS	151,239.93	176,535.26
	TOTAL - TRADE RECEIVABLE	169,492.22	193,329.28

NOTE NO	DESCRIPTION	(₹ In Lacs)	
		As at 31.03.2014	As at 31.03.2013
17	CASH AND BANK BALANCES		
	(a) CASH AND CASH EQUIVALENTS		
	Balance with banks	1,575.88	3,711.26
	Balance with banks in foreign currency	506.93	1,263.23
	Bank deposits with original maturity of less than three month*	1,945.37	1,324.49
	Unpaid dividend accounts	58.30	82.44
	Cheques in hand / money in transit	978.17	1,826.01
	Cash in hand	27.31	135.20
	Stamps in hand	0.13	0.20
	Puja and silver coins	0.08	0.06
	TOTAL CASH AND CASH EQUIVALENTS	5,092.17	8,342.89
	(b) OTHER BANK BALANCES		
	Bank Deposits with original maturity of more than three month but less than 12 months *	1,660.38	4,363.67
	Bank Deposits with original maturity of more than 12 months *	804.20	1,767.88
		2,464.58	6,131.55
	Less: Amount disclosed under the head other Non Current Assets	(275.17)	(824.71)
	TOTAL OTHER BANKS BALANCES	2,189.41	5,306.84
	TOTAL - CASH & BANK BALANCES	7,281.58	13,649.73

* ₹ 2,150.74 Lacs (₹ 4,897.28 Lacs) is under lien with Banks and pledge with sales tax department.

NOTE NO	DESCRIPTION	(₹ In Lacs)	
		As at 31.03.2014	As at 31.03.2013
18	OTHER CURRENT ASSETS		
	(Unsecured, Considered good unless otherwise stated)		
	Interest accrued on Investment /Fixed deposit	132.72	144.33
	Mine Development Expense	309.59	309.59
	TOTAL OTHER CURRENT ASSETS	442.31	453.92

NOTE NO	DESCRIPTION	(₹ In Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
19	REVENUE FROM OPERATIONS		
	(a) SALE OF PRODUCTS		
	Finished Goods	1,336,600.25	1,185,540.42
	Trading Goods	27,900.52	3,144.56
	Export Benefits	11,119.80	10,780.93
		1,375,620.57	1,199,465.91
	(b) SALE OF SERVICES		
	Job charges received	6,004.64	9,764.33
	Consultancy Charges / Commission Received / Advertisement Income	-	1.99
		6,004.64	9,766.32
	(c) OTHER OPERATING REVENUE		
	Sale of Gases	250.86	187.37
	Claims received	613.34	627.21
	Previous year Adjustment (Net)	335.67	111.48
	Miscellaneous Income	4,768.52	2,689.06
		5,968.39	3,615.12
	REVENUE FROM OPERATIONS (GROSS)	1,387,593.60	1,212,847.35
	Previous year Adjustment (Net)		
	Income relating to earlier years	(26.42)	42.26
	Liability no longer required	692.73	135.59
	Expenses relating to earlier years	(330.64)	(66.37)
		335.67	111.48

NOTE NO	DESCRIPTION	(₹ In Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
20	OTHER INCOME		
	(a) INTEREST INCOME ON		
	Long Term Investments	34.09	42.93
	Others	1,444.57	108.21
	Debtors	2,646.68	2,876.18
	[Net of Provision of ₹ 702.80 Lacs (₹1,469.17 Lacs)]		
		4,125.34	3,027.32
	(b) DIVIDEND INCOME FROM CURRENT INVESTMENT	0.51	1.34
	(c) NET GAIN/(LOSS) ON SALE OF CURRENT INVESTMENTS		
	Gain on Sale	-	0.96
	Loss on Sale	(6.87)	-
	Reversal / (Loss) on Diminution	11.60	154.74
		4.73	155.70
	(d) NET GAIN/(LOSS) ON SALE OF FIXED ASSETS		
	Gain on Sale	42.51	315.37
	Loss on Sale	(34.95)	(140.12)
	Loss on Discard	(342.87)	(0.01)
		(335.31)	175.24
	(e) OTHER NON-OPERATING INCOME (net)	114.61	144.19
	TOTAL - OTHER INCOME	3,909.88	3,503.79

NOTE NO	DESCRIPTION	(₹ In Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
21	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS		
	OPENING STOCK		
	Finished Goods	139,484.57	128,242.10
	Work in Progress	93,906.87	83,478.48
	Scrap	2,663.47	1,891.19
	Trading Goods	178.46	340.14
	TOTAL OPENING STOCK	236,233.37	213,951.91
	CLOSING STOCK		
	Finished Goods	131,105.55	139,484.57
	Work in Progress	100,702.89	93,906.87
	Scrap	2,794.15	2,663.47
	Trading Goods	178.46	178.46
	TOTAL CLOSING STOCK	234,781.05	236,233.37
	Excise Duty on account of increase/(decrease) in Stock of Finished Products	436.45	(197.54)
	TOTAL - CHANGES IN INVENTORIES	1,888.77	(22,479.00)

NOTE NO	DESCRIPTION	(₹ In Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
22	EMPLOYEE BENEFITS EXPENSES		
	Salaries, Wages, Bonus and Other benefits	28,704.52	28,543.40
	Contribution to provident and other funds	1,332.10	1,296.24
	Expenses on Employee Stock Option Scheme	(59.01)	61.44
	Staff Welfare Expenses	1,470.81	1,315.18
	TOTAL - EMPLOYEE BENEFITS EXPENSES	31,448.42	31,216.26

NOTE NO	DESCRIPTION	(₹ In Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
23	FINANCE COST		
	Interest Expenses	120,981.08	98,305.29
	Other Borrowing Costs	8,531.98	6,038.40
	TOTAL - FINANCE COST	129,513.06	104,343.69

NOTE NO	DESCRIPTION	(₹ In Lacs)	
		For the year ended 31.03.2014	For the year ended 31.03.2013
24	DEPRECIATION AND AMORTIZATION EXPENSES		
	Depreciation on Fixed Assets	71,611.03	73,211.03
	Amortization of Intangible assets	1,228.35	803.33
	TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES	72,839.38	74,014.36

		(₹ In Lacs)	
NOTE NO	DESCRIPTION	For the year ended 31.03.2014	For the year ended 31.03.2013
25	OTHER EXPENSES		
	(a) MANUFACTURING EXPENSES		
	Consumption of Stores and Spare parts	76,761.42	65,537.46
	Power and Fuel	131,000.47	127,256.74
	Labour Processing & Transportation Charges	12,876.31	12,393.77
	Repairs to buildings	620.12	210.37
	Repairs to plant & machinery	2,828.18	3,105.29
	Job work expenses	462.47	1,833.26
	Other Manufacturing Expenses	11,430.10	6,980.43
		235,979.07	217,317.32
	(b) ADMINISTRATIVE EXPENSES		
	Insurance	1,970.88	2,152.61
	Rent	470.71	650.11
	Lease Rent	426.90	369.23
	Rates and Taxes	939.76	964.74
	Legal and Professional	4,306.06	3,150.43
	Postage, Telegram , Telex and Telephone	604.60	635.40
	Printing & Stationary	427.62	356.12
	Travelling & Conveyance	1,252.37	1,666.14
	Director' Meeting Fees	12.13	6.00
	Vehicle Upkeep and Maintenance	1,030.45	922.83
	Auditor's Remuneration	76.72	76.88
	Donation	130.82	96.61
	Miscellaneous Expenses	6,349.70	4,622.28
	Mine Development Expenses W/off	309.59	309.59
		18,308.31	15,978.97
	(c) SELLING EXPENSES		
	Other Selling Expenses	6,708.74	5,717.44
	Discount & Rebate	5,881.90	6,044.47
	Freight & Forwarding Expenses	23,032.31	22,610.31
	Commission on Sales	5,641.18	5,475.45
	Provision for Doubtful Debts	446.26	291.91
	Bad Debts	298.93	32.17
	Advertisement & Publicity	390.34	165.73
		42,399.66	40,337.48
	TOTAL - OTHER EXPENSES	296,687.04	263,908.26

26.

A) **Contingent Liabilities not provided for in respect of:** (₹ in Lacs)

	As at 31.03.2014	As at 31.03.2013
a) Counter Guarantee given to Company's Bankers for the guarantee given by them on behalf of Company.	8,997.56	11,574.40
b) Letter of Credit outstanding.	92,250.35	82,291.29
c) Bills discounted with banks.	55,703.68	41,390.51
d) i) Sales Tax/Entry Tax Demands against which Company has preferred appeals.	9,287.64	9,171.78
ii) Excise Duty/Custom/Service Tax Show Cause Notices/Demands against which company has preferred appeals.	17,840.58	15,401.82
iii) Income Tax Demands against which Company has preferred appeals.	6,488.93	6,422.51
iv) Claims and other Liabilities against the Company not acknowledged as debt.	10,588.26	8,812.91
e) Demand made by Sr. Dy. Director of Mines, Notified Authority, Jaipur Road Circle, Odisha as cess on Chromite Ore production. The matter being pending with Hon'ble Supreme Court.	320.49	320.49
f) Demand made by Dy. Director of Mines, Jaipur Road Circle, Orissa against which Company has preferred appeal.	139.56	24.74
B) Guarantee given to custom authorities for import under EPCG Scheme. (Custom duty saved/to be saved as on 31st March, 2014 ₹ 19,080.63 Lacs {₹ 25,235.08 Lacs})	60,189.03	92,474.68

27. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 2,550.25 Lacs (₹ 2,117.30 Lacs).

28. Custom Duty saved on material consumed imported under advance license scheme as on 31st March, 2014 and 31st March, 2013 is ₹ 337.17 Lacs and ₹ 266.66 Lacs respectively.

29. Appeals in respect of certain assessments of Sales Tax / Income Tax are pending and additional tax liabilities/refunds, if any, are not determinable at this stage. Adjustments for the same will be made after the same are finally determined. In the opinion of management there will not be material liability on this account.

30. (A) **Corporate Debt Restructuring**

- i) Pursuant to the approval of reworked CDR package ("Rework Scheme") in September 2012 and execution of Amended & Restated Master Restructuring Agreement ("Amended MRA"), the long term financial obligations to the CDR lenders were reworked including reworking of repayment schedule, creation of Funded Interest Term Loan (FITL II), adjustment in interest rates, etc. w.e.f. 31st March, 2012.
- ii) Under the Rework Scheme, the interest rates are shifted from fixed rate of interest to floating rate of interest. Interest has been accounted for based upon the terms of the Rework Scheme / confirmations so far received from the Banks.
- iii) The Funded Interest Term Loan (FITL-II) has been created on certain credit facilities as per the terms of the Rework Scheme and the amendment thereof. Further, subject to necessary applicable approvals including regulatory and CDR EG, each CDR lender also has option to convert up to an amount equivalent to 30% of FITL – II (created out of interest for the financial year 2012–13 in the Rework Scheme), into equity shares on certain terms and conditions.
- iv) The credit facilities / loans under Rework Scheme are/will also be secured by:
 - a. Unconditional & irrevocable personal guarantee of CMD Mr. Ratan Jindal;
 - b. Unconditional & irrevocable corporate guarantee of promoter group companies in proportion to the number and to the extent of equity shares pledged or required to be pledged by each body corporate;
 - c. Pari-passu pledge/ non disposal undertaking / lodgment of 65,306,625 nos. of equity shares held in the company by promoters. Creation of security over 87.7% of the additional equity shares allotted to, a member of the promoter group, on 30th March, 2013 and 31st March, 2014; and
 - d. Under the Scheme, the company had created pledge and submitted non-disposal undertaking for all its investment in subsidiaries as listed below:
 - JSL Lifestyle Limited
 - JSL Logistics Limited
 - PT. Jindal Stainless Indonesia
 - Jindal Stainless UK Limied
 - JSL Stainless FZE
 - JSL Group Holdings Pte. Limited

- JSL Architecture Limited
 - Jindal Stainless Madencilik Sanaye Ve Ticaret A.S.
 - Jindal Aceros Inoxidables S.L.
 - Iberjindal S.L.
- e. Certain conditions, covenants and creation of security under the Rework Scheme are in process of compliance. Certain secured facilities from Banks are subject to confirmation and/or reconciliation.

(B) Restructuring of ECB Facilities

Besides reworking of its domestic term debt obligations as stated in note A above, the Company has also completed the restructuring of its debt obligations in relation to USD 250 million ECB facilities (outstanding of USD 223.75 million as on 31st March, 2014) availed for the part financing of Odisha Phase II project and has executed requisite amendment agreements with all the ECB lenders on 29th March, 2013. The revised terms inter-alia includes deferment of repayment schedule, increase in interest rates, etc. has been implemented on receipts of RBI approvals.

31. The Haryana Government levied w.e.f. 05.05.2000 a Local Area Development Tax (the LADT Act) on the Manufacturing units in the State of Haryana on the entry of goods for use and consumption. JSL and other units have challenged the Act in the Hon'ble Punjab and Haryana High Court. The Hon'ble Punjab and Haryana High Court disallowed the petition in December, 2001 and the company had by a Special Leave Petition challenged the Order of High Court in the Hon'ble Supreme Court. The Hon'ble Supreme Court referred the matter to a 'five judges' Constitutional Bench, which laid certain parameters to examine the Act on those lines. On the basis of these parameters the Hon'ble High Court have declared the Act to be ultra virus on 14th March, 2007. Since, this issue was being canvassed by various High Courts, the Hon'ble Supreme Court gave an Interim Order that those states where the High Courts have given judgment in favour of the petitioner, no tax would be collected. In the mean time the Haryana Government has repealed the LADT Act and introduced another Act by the name of 'Entry Tax' on the same lines. That Act was also been held ultra virus by the High Court. However, on prudence basis, the liability has been fully provided for. The order of Punjab and Haryana High Court and other judgements of all the Courts of India have been long pending. The State Governments have requested the Hon'ble Supreme Court that it is very difficult for them to run the Government. So at least till the pendency of the cases in the Hon'ble Supreme Court they may be allowed to charge from past liability and also from the future liability to be accrued. On 30th October, 2009, the Hon'ble Supreme Court have directed that 1/3rd of the liability is to be paid by all the assesses whose cases are pending in the High Courts. As, at present, there is no Act either LADT/Entry Tax prevalent in Haryana State, no tax is being collected from the assesses however undertaking have given by assesses that in case they lose they will make the payment. As such on prudence basis, full liability has been provided for. In the meantime, i.e. on 16.04.2010 the Entry Tax matters of the states have been referred to a larger 9-Judges Constitutional Bench of the Supreme Court, where the judgement of 7-Judges Constitutional Bench passed 49 years ago would be revisited. Constitution Bench has not been constituted as yet and the status of the case is as it is and at present no tax is being collected/paid in Haryana.
32. (a) The company has filed Writ Petition (C) before the Hon'ble High Court of Orissa, challenging the order passed by the Dy. Commissioner of Commercial Tax, Jajpur for the period from 01/10/2006 to 30/09/2010, for payment of Entry Tax under the Orissa Entry Tax Act 1999 on the goods procured from outside the territory of India. The demand is on 2/3rd amount of Entry Tax on the goods imported from outside the territory of India on which the payment of 1/3rd amount of entry tax deposited as per the interim order of the Hon'ble Supreme Court. Considering the prudence demand of entry tax have been fully provided for and pending final decision interest and penalty have been shown under note no. 26(d)(i) (Contingent Liability).
The Hon'ble Court has heard the matter and vide its interim order dated 14.03.2012, directed the company to deposit 50% of the amount of interest i.e. ₹ 1.08 crores by 25.03.2012 and granted stay for the balance amount of demand till disposal of the case. The company has deposited the amount within the permitted time and informed to the Hon'ble Court.
- (b) The Company had also challenged the levy of entry tax on goods not produced in Orissa and same is pending before decision of the Hon'ble Supreme Court. Considering the prudence full liability in this regards have been provided. Interest/ penalty if any, will be accounted for as and when finally settled/determined and the same is included in note no. 26 (d)(i) (Contingent Liability).
33. Exceptional items includes Gain/(Loss) (net) of **(₹ 37,430.92 Lacs)** {(₹ 14,178.16 Lacs)} on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of **(₹ 509.27 Lacs)** {₹ 119.04 Lacs} upon marked to market of derivatives contracts, gain/(loss) of **(₹ 3,933.35 Lacs)** {(₹ 4,339.90 Lacs)} on forward cover cancellation, resulting from volatile global market conditions.
34. Due from Grid Corporation of Orissa (Gridco) Limited is of **₹ 9,641.21 Lacs** (₹ 9,268.43 Lacs). The company had realized part of the overdue amount on receipt of the order of Odisha Electricity Regulatory Commission (OERC) in Case no. 106 of 2011 No. 4387 dated 17/11/2012. Delayed payment surcharge (Interest) on this have been accounted in terms of contractual obligation. The management is hopeful of recovery of due from Gridco.
35. The company has filed Writ Petition (C) before the Hon'ble High Court of Orissa, Cuttak challenging the order passed by the Jt. Commissioner of Commercial Tax, Jajpur disallowing the issue of C Form for the procurement of plant and machinery for Captive Power Plant during the year 2005-06, 2006-07 & 2007-08. The Hon'ble Court heard the matter and passed interim order dated 14.03.2012, directing the company to deposit 25% out of total demanded amount of ₹ 3,305.92 Lacs. The company has deposited an amount of ₹ 826.47 Lacs within the permitted time and informed the Hon'ble Court. Pending final decision, no provision in this respect has been made in the books and the same is included in note no. 26 (d)(i) (Contingent Liability).

36. During the previous year, the company has received a notice from office of the Dy. Director of Mines, Jajpur Road Circle, Odisha (the Office) asking company to deposit ₹ 8,540.27 Lacs with the department on account of cost price on mining of excess quantity of Chrome Ore over and above the approved quantity of mining plan/scheme. The company has disputed and challenged the same as demand made by the Office is incorrect, unjustified, and baseless and was without furnishing any supporting documents and/or providing any basis/reason for such demand. The case is pending before Revisional Authority of Mining tribunal, Govt. of India
37. (A) Certain balances of trade receivable, trade payable and other liabilities are subject to confirmation and/or reconciliation.
(B) Certain charges created for secured loans are in process of satisfaction.
38. On 28th July, 2010, the Company granted 35,77,500 stock options to eligible employees of the Company, its subsidiaries including non executive directors (excluding Nominee Director), as per Employees Stock Option Scheme, 2010 (ESOP 2010). The exercise price of stock options is ₹ 75/- per share which would gradually vest over a maximum period of 4 years from the date of grant based on specified criteria, as may be decided by the Compensation Committee.

Salient features of the grants are as under:

Particulars	Grant 1 (granted on 28.7.2010)					Grant II (granted on 28.7.2012)			
Vesting Schedule	Options will vest from the date of grant based on the performance conditions mentioned below in the following ratio:					Options will vest from the date of grant based on the performance conditions mentioned below in the following ratio:			
Vesting Schedule	On 28.07 2011 (Vest 1)	On 28.07. 2012 (Vest 2)	On 28.07. 2013 (Vest 3)	On 28.07. 2014 (Vest 4)		Vesting Schedule	On 28.07. 2013 (Vest 1)	On 28.07. 2014 (Vest 2)	On 28.07. 2015 (Vest 3)
Eligibility*	0%	30%	30%	40%		Eligibility*	30%	30%	40%
	* Maximum percentage of Options that can vest					* Maximum percentage of Options that can vest			
Performance Conditions	Performance Matrix					Performance Matrix			
	Performance rating attained **		Percentage of Options that would vest			Performance rating attained**		Percentage of Options that would vest	
	A+		100%			A+		100%	
	A		75%			A		75%	
	B		50%			B		50%	
	** Based on achievement of the Annual Targets set by the management at the beginning of the year.					** Based on achievement of the Annual Targets set by the management at the beginning of the year.			
Exercise period	Not more than 3 years from the date of vesting					Not more than 3 years from the date of vesting			

Pursuant to 1st vesting @ 30% of ESOP outstanding on 28th July, 2012, 534,771 ESOPs were vested to eligible employees based on performance rating and 1,50,000 fresh ESOPs were granted to the employees of the Company on 28th July, 2012. Pursuant to 2nd vesting @ 30% of ESOP outstanding on 28th July, 2013, 426,024 ESOPs were vested to eligible employees based on performance rating.

During the year ended on 31st March, 2014, **662,763** (497,106) stock options lapsed due to resignation, retirement and low vesting due to performance rating. No vested options were exercised by employees during the year. As on 31st March, 2014, **1,608,881** (2,271,644) ESOPs were in force.

39. In the case of Green Delhi BQS Limited (GDBQS) The Company has Concession Agreement with Delhi Transport Corporation (DTC) for BOT Project of Bus-Q-Shelter (BQS) wherein the Company is to pay ₹ 93,800/- per BQS per month as concession fee. However, DTC did not hand over some of the premium sites at Airport area of Delhi for construction of BQS as per the agreed Contract and breached the terms of Concession Agreement. The advertisement revenue of the aforesaid sites is much higher than the sites proposed to be handed over, The Company has approached, Hon'ble Delhi High Court, to resolve the dispute for the injustice done to the Company in non allotment of the premium sites. Meanwhile, DTC has terminated the contract because of non payment of full concession fee to DTC. However, Hon'ble Delhi High Court vide order dated 31st March, 2011 upheld the decision of termination of contract by DTC wherein the Hon'ble Court had given the order that as per the contract agreement, the matter is to be contemplated in Arbitration Proceedings. BQS were handed over to DTC. Case is being heard in the Arbitration Proceedings. One of the outcomes of Arbitration could be that GDBQS may get back all the shelters and will resume the business. Hence pending decision of Arbitration proceedings, loss of Intangible Assets of Bus-Q-Shelters (Concession rights) of ₹ 19,47,75,096/- has not been provided for.
40. a) In case of Green Delhi BQS Limited and JSL Media Limited, in view of non availability of convincing evidence as to the certainty of the future taxable profit, no deferred tax has been created for the current year.
- b) In case of Jindal Stainless Steelway Limited, Commissioner of Central Excise, Raigad, Maharashtra has in their order stated that the activities which the company are doing does not amount to manufacture and is not entitled to avail Cenvat Credit of ₹ **133,28.38 lacs** (₹ 6,546.44 Lacs). The company had filed an Appeal before the CESTAT, Mumbai in the matter. Further in the similar case of Gurgaon Plant, matter was decided in favour of company by the commissioner of Central Excise, Delhi – III, Gurgaon and also matter was approved by the committee of Chief Commissioners of Central Excise, Delhi and Chandigarh Zones.

41. a) In the year 2008, the company (Jindal Stainless Ltd.) and PT Antam (Persero) Tbk, Indonesia had entered into Joint Venture agreement (50:50) to establish integrated stainless steel facilities in Indonesia and for that purpose initial equity contribution of USD 45,00,000 was remitted to JSL Venture Pte. Ltd. through JSL Group Holding Pte. Ltd., Singapore. Pending utilization and because in 2008 Joint Venture was in the initial stage of project report preparation, initial Equity Contribution by JSL Venture Pte. Ltd. of USD 45,00,000 was parked with PT Jindal Stainless Indonesia (PTJSI, a subsidiary company in Indonesia). However, on account of certain issues the JSL (JSL Stainless Ltd.) and PT Antam decided to abandon the JV in 2010 as the equity received by JV company was parked with PTJSI on behalf of the company (Jindal Stainless Ltd.), the JSL Venture Pte. Ltd. has knocked off the equity liability against loan receivable from PTJSI. Subsequent to the above based on the MOU signed on 31st March, 2011 by JSL Venture Pte. Ltd. and PTJSI the above USD 45,00,000 been converted into an arrangement as "Cumulative Non-Convertible 0.01% subordinate un-secured term loan due in January, 2061 and outstanding and payable by PTJSI to JSL Venture Pte. Ltd., pending necessary approvals.
- b) Further in addition to above unsecured loan from the company (Jindal Stainless Ltd.) to PTJSI of US \$ 2,500,000 for purchase of assets from PT Maspion Stainless Steel Indonesia is outstanding till date where there is no terms of definite repayment.
42. Subsidiary company PTJSI had entered into a joint venture agreement with following two partners for activities of production, mining and trading of chrome and smelting in Vietnam with invested capital of US \$ 18,000,000 and charter capital of US \$ 5,400,000. Such co-operation activities are under suspension since 2008 on account of slowdown in economic activities. Till 31st March, 2014 PTJSI has contributed US \$ 1,606,000 and the same is disclosed as investment advance, pending allotment of shares and receipt of confirmation. As the financial statement till 31st March, 2014 are not available with the PTJSI no disclosure as per Accounting Standard 27 on "Financial Reporting of Interest in Joint Ventures", except as stated below as given;

- a) Name of JV Company - Jindal – Nong Cong Ferro – Chrome Limited Company
- b) Country Name - Vietnam
- c) Joint venture partners & share of capital contribution as proposed (as per agreement pending for registration)

Sr. No.	Name of the JV partners	% of capital to be contributed	Proposed Capital Commitment (Amount in US \$)
1	PT Jindal Stainless India	80%	4,320,000
2	Nong Cong Joint Stock Company Trading (Vietnam)	10%	540,000
3	LM Camus Engineering Corporation Company (Philippines)	10%	540,000
	Total	100%	5,400,000

43. In PT Jindal Stainless, Indonesia with effect from January 1, 2012, it applied PSAK number 10 (revised 2010) "The Effects of Changes in Foreign Exchange Rates", which describes how to include foreign operations in the financial statements of an entity and translate financial statements into a presentation currency. The company considers the primary indicators and other indicators in determining its functional currency. The Company determined that its Company's functional currency is the US Dollar and decided that the presentation currency for the financial statements is the US Dollar. In relation to such change in the presentation currency, the statements of financial position as of March 31, 2012 and April 1, 2011/March 31, 2011 and the statements of comprehensive income, changes in equity and cash flows for the year ended March 31, 2012 were restated and presented using the US Dollar as the presentation currency.
44. a) During the year, the Company has received subscription (application/allotment) money (including premium) aggregating to ₹ 10,157.66 Lacs from JSL Overseas Limited (the allottee) in two tranches. Subsequent to the receipt of funds, the Company has allotted
- i) 10,750,000 nos. equity shares of ₹ 2/- each @ ₹ 37.65 per share (including premium of ₹ 35.65 per share) to JSL Overseas Limited; and
- ii) 15,810,440 nos. Cumulative Compulsory Convertible Preference Shares (CCCPS) of ₹ 2/- each @ ₹ 37.65 per CCCPS (including premium of ₹ 35.65 per CCCPS) to JSL Overseas Limited.
- Amount received of ₹ 10,000.01 Lacs have been fully utilized for the purpose the issue was made. The balance amount of ₹ 157.65 Lacs after adjustment of consideration for allotment of aforementioned equity shares & CCCPS, pending for refund as on 31st March, 2014 has been subsequently refunded.
- b) During the previous year, Company has issued and allotted 13,550,000 nos fully paid up equity shares of ₹ 2/- each at ₹ 74/- per share (including premium of ₹ 72/- per share) on preferential basis in terms of approval taken from shareholders. Amount received of ₹ 100.27 Lacs have been fully utilized for the purpose the issue was made
45. As on March 31, 2014, the overdue interest to lenders (21 in nos.) was ₹ 3,175.42 Lacs of which maximum overdue period was 30 days.

However, on account of certain technical issues from banks' side and/or reconciliation issues (refer Note No. 30(A)(iv)(e) above), certain amounts were reported as overdue for more than 60 days by certain banks. This overdue position of more than 60 days has been rectified subsequent to the balance sheet date.

46 Segment Reporting:

i) Information about Business Segment (for the year ended on 31.03.2014)

Company operates in a Single Primary Segment (Business Segment) i.e. Stainless Steel products.

ii) Secondary Segments (Geographical Segment)

(₹ In Lacs)

S.No.	Particulars	2013-14			2012-13		
		Within India	Outside India	Total	Within India	Outside India	Total
1	Revenue	953,836.83	427,788.38	1,381,625.21	795,365.13	413,867.10	1,209,232.23
2	Segment Assets	1,498,156.69	127,923.59	1,626,080.28	1,509,969.00	160,934.84	1,670,903.84
3	Capital Expenditure incurred during the year	33,066.86	635.66	33,702.52	46,637.66	385.86	47,023.52

47 Related Party Transactions

A List of Related Party & Relationship (As identified by the Management)

a) Key Management Personnel :

1	Shri Ratan Jindal	Chairman & Managing Director, Managing Director in Jindal Stainless FZE & Jindal Stainless UK Limited
2	Shri Ramesh R Nair	President & Executive Director, Jindal Stainless Limited (w.e.f. 03.11.2011 till 04.06.2013)
3	Shri U K Chaturvedi	Chief Executive Officer (w.e.f. from 01.04.2013 till 31.12.2013)
4	Shri Jitender P. Verma	Executive Director - Finance, JSL Architecture Limited
5	Shri S.S. Virdi	Executive Director & Chief Operating Officer (till 31.07.2013)
6	Shri Rajiv Rajvanshi	Director, Green Delhi BQS Limited, JSL Architecture Limited
7	Smt. Deepika Jindal	Managing Director, JSL Lifestyle Limited & JSL Architecture Limited
8	Shri Rajinder Prakash Jindal	Executive Director (w.e.f. 06.01.2014)
9	Shri P.K. Mehra	Director, Jindal Stainless UK Limited
10	Shri Ajay Kumar	Wholtime Director Jindal Stainless Steelway Limited (Since 19.07.2013)
11	Shri Jitendra Kumar	Company Secretary, Jindal Stainless Limited
12	Shri Nirmal Chand Mathur	Director, JSL Architecture Limited
13	Shri Rajesh Kumar Pandey	Company Secretary, JSL Architecture Limited (w.e.f. 01.03.2012)
14	Shri Sandeep Mathur	Wholtime Director Jindal Stainless Steelway Limited (w.e.f. 01.04.2013 to 18.07.2013)
15	Shri Aditya Goel	Director IBER Jindal S.L.
16	Shri Ankur Agrawal	Director JSL Media Limited , Green Delhi BQS Limited
17	Shri Anuj Jain	Whole Time Director & CEO, JSL Life style Limited, Director JSL Media Ltd., Director Green Delhi BQS Ltd., Director & CEO JSL Architecture Limited
18	Shri Rajeev Prakash Upadhyay	Chief Operating Officer, JSL Architecture Limited (Up to 28.02.2014)
19	Shri Rajesh Khosla	President Directors, PT Jindal Stainless Indonesia
20	Shri Umendra Pratap Singh	Director, PT Jindal Stainless Indonesia

b) Enterprises over which Key Management Personnel and their relatives exercise significant influence with whom transactions have been taken place during the year:

1	Jindal Steel & Power Limited
2	JSW Steel Limited
3	Jindal Saw Limited
4	Jindal Industries Limited
5	Nalwa Steel & Power Limited
6	Bir Plantation Private Limited
7	JSL Overseas Limited
8	JSL Overseas Holding Limited (Formerly Jindal Overseas Holding Limited)
9	JSW Ispat Steel Limited

c) Associates

1	J.S.S. Steelitalia Limited
---	----------------------------

d) Joint Venture

1	MJSJ Coal Limited
2	Jindal Synfuel limited

B Transactions :**(₹ In Lacs)**

Description	For the year ended 31.03.2014				For the year ended 31.03.2013			
	Joint Venture	Key Management Personnels	Enterprises Controlled by key Management Personnels & their Relatives	Associates	Joint Venture	Key Management Personnels	Enterprises Controlled by key Management Personnels & their Relatives	Associates
Purchase of Goods	-	-	3,470.00	71.93	-	-	7,930.37	14.64
Jindal Steel & Power Limited*	-	-	1,990.71	-	-	-	3,569.61	-
JSW Steel Limited	-	-	288.73	-	-	-	2,151.98	-
Jindal Industries Limited	-	-	1,137.94	-	-	-	807.81	-
JSW Ispat Steel Limited	-	-	52.62	71.93	-	-	1,354.76	-
Others	-	-	-	-	-	-	46.21	14.64
Sale of Goods	-	-	1,376.56	1.03	-	-	1,094.70	11.21
JSW Steel Limited	-	-	350.62	-	-	-	276.53	-
Jindal Steel & Power Limited**	-	-	983.65	-	-	-	770.65	-
Others	-	-	42.29	1.03	-	-	47.52	11.21
Job Work Charges Received	-	-	-	-	-	-	6,518.73	0.52
JSW Steel Limited	-	-	-	-	-	-	6,518.73	-
J.S.S. Steeltalia Limited	-	-	-	-	-	-	-	0.52
Receiving of Services (Remuneration paid)	-	2,127.50	-	-	-	1,845.64	-	-
Shri Ratan Jindal	-	1,117.59	-	-	-	1,034.32	-	-
Shri U K Chaturvedi	-	149.50	-	-	-	-	-	-
Smt Deepika Jindal	-	114.82	-	-	-	130.80	-	-
Sh. Ramesh R Nair	-	40.52	-	-	-	160.57	-	-
Shri S.S.Virdi	-	47.48	-	-	-	140.85	-	-
Sh. Jitendar P. Verma	-	237.26	-	-	-	151.98	-	-
Sh. Rajiv Prakash Upadhyay	-	64.36	-	-	-	-	-	-
Others	-	355.97	-	-	-	227.12	-	-
Rent Received	-	17.40	3.37	-	-	17.40	3.37	-
Shri Ratan Jindal	-	17.40	-	-	-	17.40	-	-
Jindal Saw Limited	-	-	3.37	-	-	-	3.37	-
Rent Paid	-	-	4.04	-	-	-	4.04	-
Bir Plantation Private Limited	-	-	4.04	-	-	-	4.04	-
Interest Income	-	-	0.27	-	-	-	-	2.04
JSW Steel Limited	-	-	0.27	-	-	-	-	2.04
Interest Paid	-	-	14.78	-	-	-	46.72	-
JSW Steel Limited	-	-	6.68	-	-	-	-	-
JSW Ispat Steel Limited	-	-	-	-	-	-	44.86	-
Jindal Industries Limited	-	-	8.10	-	-	-	-	-
Others	-	-	-	-	-	-	1.86	-
Freight Paid	-	-	-	-	-	-	13.35	-
Jindal Steel & Power Limited	-	-	-	-	-	-	12.85	-
Others	-	-	-	-	-	-	0.50	-
Sharing of Exp.Reimbursed/to be Reimbursed	1.81	-	43.28	0.20	4.70	0.57	39.27	0.06
Jindal Saw Limited	-	-	41.49	-	-	-	36.04	-
Bir Plantation Private Limited	-	-	1.79	-	-	-	3.23	-
MJSJ Coal Limited	1.81	-	-	-	4.70	-	-	-
Others	-	-	-	0.20	-	0.57	-	0.06

(₹ In Lacs)

Description	For the year ended 31.03.2014				For the year ended 31.03.2013			
	Joint Venture	Key Management Personnels	Enterprises Controlled by key Management Personnels & their Relatives	Associates	Joint Venture	Key Management Personnels	Enterprises Controlled by key Management Personnels & their Relatives	Associates
Sharing of Exp.Recovered/to be Recovered	-	-	100.70	25.96	-	-	222.56	20.03
Jindal Steel & Power Limited	-	-	50.82	-	-	-	46.42	-
Jindal Saw Limited	-	-	49.88	-	-	-	45.87	-
Jindal Industries	-	-	-	-	-	-	128.24	-
J.S.S. Steelitalia Limited	-	-	-	25.96	-	-	-	20.03
Others	-	-	-	-	-	-	2.03	-
Remuneration Written Back	-	42.35	-	-	-	-	-	-
Smt. Deepika Jindal	-	42.35	-	-	-	-	-	-
Loan & Advances Given	0.15	-	-	-	-	-	-	-
MJSJ Coal Limited	0.15	-	-	-	-	-	-	-
Equity Share Capital Subscribed	10.00	-	-	-	225.00	--	-	-
MJSJ Coal Limited	-	-	-	-	225.00	-	-	-
Jindal Synfuel Limited	10.00	-	-	-	-	-	-	-
Allotment of Equity / CCC Preference Shares	-	-	10,000.01	-	-	-	10,027.00	-
JSL Overseas Holding Limited	-	-	-	-	-	-	10,027.00	-
JSL Overseas Limited	-	-	10,000.01	-	-	-	-	-
Miscellaneous Payment	-	-	2.95	-	-	-	9.46	-
Jindal Steel & Power Limited	-	-	2.95	-	-	-	9.46	-
Outstanding Balances as on 31.03.2014								
Loans & Advances- Receivable	-	-	25.00	-	-	-	25.00	-
Bir Plantation Private Limited	-	-	25.00	-	-	-	25.00	-
Receivables	-	-	2,017.03	26.83	-	-	5,897.15	23.26
JSW Steel Limited	-	-	967.16	-	-	-	4,946.74	-
Jindal Steel & Power Limited	-	-	1,049.87	-	-	-	940.82	-
Others	-	-	-	26.83	-	-	9.59	23.26
Application Money Refundable	-	-	157.65	-	-	-	7.85	-
JSL Overseas Holding Limited	-	-	-	-	-	-	7.85	-
JSL Overseas Limited	-	-	157.65	-	-	-	-	-
Payables	30.52	56.54	2,614.02	-	28.26	139.94	3,881.84	-
Shri Ratan Jindal	-	52.83	-	-	-	138.03	-	-
Jindal Steel & Power Limited	-	-	980.36	-	-	-	2,615.91	-
Jindal Saw Limited	-	-	909.40	-	-	-	952.89	-
Jindal Industries Limited	-	-	647.50	-	-	-	-	-
JSW Ispat Steel Limited	-	-	-	-	-	-	0.84	-
Others	30.52	3.71	76.76	-	28.26	1.91	312.20	-

Note :-

Guarantee given by key management personnel for loan from banks/others. (refer note no. 4 and 8)

* Includes Purchase of Ferro Chrome/Sponge Iron on arm length prices.

** Includes Sale of Chrome Ore/Coke on arm length prices.

48. Earning Per Share (EPS) computed in accordance with Accounting Standard 20 “ Earning Per Share “.

	For the year ended 31.03.2014	For the year ended 31.03.2013
(₹ in Lacs)		
(A) Basic :		
Net Profit/(Loss) after Tax as per P & L A/c	(136,823.65)	(84,070.82)
Weighted Average No. of Equity Shares for Basic EPS (Face value ₹ 2/- per share)	204,322,982	190,222,424
Basic EPS (in ₹)	(66.96)	(44.20)
(B) Diluted :		
Net Profit/(Loss) after Tax as per P & L A/c	(136,823.65)	(84,070.82)
Add: Interest & Fluctuation on Foreign Currency Convertible Bonds (net of tax)	-	(57.09)
Profit attributable to Equity Share Holders	(136,823.65)	(84,127.91)
Weighted Average No. of Equity Shares for Basic EPS	204,322,982	190,222,424
Add : Weighted average of Potential equity shares converted during the year	331,475	379,370
Add : Weighted average of Potential equity shares outstanding as on 31st March, 2014	43,316	547,459
Weighted average No. of Equity Shares for Diluted EPS (Face value ₹ 2/- per share)	204,697,773	191,149,253
Diluted EPS (in ₹)	(66.84)	(44.01)

- 49 (i) (a) For the remuneration amounting to ₹ 16.20 Lacs and ₹ 18.11 Lacs paid to a Whole Time Director (WTD) for the years 2008-2009 and 2009-2010 respectively, company's representation is pending before Central Government.
- (b) For the remuneration amounting to ₹ 121.72 Lacs and ₹ 237.26 Lacs paid to Two Whole Time Directors (WTD) for the year 2013-2014, company's representation is pending before Central Government.
- (c) For the remuneration amounting to ₹ 9.46 Lacs paid to a Whole Time Director (WTD) for the year 2013-2014 is subject to the approval of the shareholders in the ensuing General Meeting and of the Central Government.
- (ii) Remuneration paid during the year by JSL Life Style Limited to Managing Director Remuneration of ₹ 42,00,000/- for the period April, 2013 to August, 2013 has been paid as per Central Government's approval. The company has paid remuneration of ₹ 37,06,500/- in excess of schedule-XIII of The Companies Act, 1956 from September, 2013 to March, 2014. The company has to apply for approval for the same with the Central Government under section 197 read with other relevant provisions of the Companies Act, 2013. Therefore, the excess remuneration of ₹ 37,06,500/- is subject to approval of Central Government.
- The Excess amount of ₹ 17,19,977/- for earlier years over and above the approval received from the Central Government has been received from the Managing Director during the year.
- (iii) In case of JSL Architecture Limited Managerial Remuneration ₹ 14,75,719/- for the period April, 2013 to August, 2013 has been paid as per Central Government's approval and no remuneration has been provided from September, 2013 till 31st March, 2014. The Excess amount of ₹ 25,14,718/- for earlier years over and above the approval received from the Central Government has been received from the Managing Director during the year.
- 50 The company has a regular programme of physical verification for its inventory. Further, during the year physical verification of significant part of inventory of finished goods and work in progress has been carried out by an independent firm of professionals and technical consultant and no material discrepancy were found.
- 51 Figures in bracket indicate previous year figures.
- 52 Previous years' figures have been re-arranged and regrouped whenever considered necessary.
- 53 **Note 1 to 53** are annexed to and form integral part of the Balance Sheet and Statement of Profit & Loss.

Signatures to Notes 1 to 53

AUDITOR'S REPORT :

In terms of our report of even date annexed hereto.

For **LODHA & CO.**
Chartered AccountantsFor **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants**RATAN JINDAL**
Chairman & Managing Director**JITENDER P. VERMA**
Executive Director - Finance**(N.K. LODHA)**
Partner
Membership No. 85155
FRN 301051E
PLACE : New Delhi
DATED : 29th May, 2014**(ARUN K. TULSIAN)**
Partner
Membership No. 89907
FRN 000756N**JITENDRA KUMAR**
Company Secretary

Statement pursuant to the general exemption granted under section 212(8) of the Companies Act, 1956 relating to subsidiary companies vide general circular 02/2011 dated Feb. 08,2011

Particulars	Subsidiary Companies														JSL Iberjindal S.L.* Minerals & Metals SA*		
	PT. Jindal Stainless Indonesia*	Jindal Stainless Steelway Limited	Jindal Stainless UK Limited*	Jindal Stainless Italy S.r.l.*	Jindal Stainless FZE*	Green Delhi BQS Limited	JSL Media Limited	Jindal Madencilik Sanayi Ve Ticaret Anonim Sirketi *	JSL Logistics Limited	Jindal Inoxidables S.L.*	JSL Group Holdings Pte. Limited*	JSL Ventures Pte. Limited*	Europe SA*	Swiss Franc (CHF)			
Capital (Including Share application Money)	7,488.75	1,716.69	766.27	2,267.81	99.82	8.25	978.63	10.00	5.00	1,772.97	5.00	16.50	2,695.95	2,777.43	67.70	67.70	824.96
Reserve & Surplus (Net of Misc. Exp.)	(3,366.99)	5,271.54	(418.84)	(212.14)	186.52	98.98	629.81	(9,262.47)	(3,336.46)	(1,402.48)	65.36	(13.37)	(33.06)	(33.38)	(16.73)	(30.49)	(240.65)
Total Assets	73,437.34	37,403.18	9,987.11	7,536.58	362.67	177.16	2,464.18	2,278.53	555.65	789.25	506.03	3.13	1.01	2,729.37	67.70	41.04	5,902.72
Total Liabilities	69,315.57	31,386.27	9,641.98	5,480.91	83.15	69.93	855.74	11,531.00	3,887.11	398.76	435.67	-	115.54	50.02	16.73	3.83	5,318.41
Investment	-	971.32	2.30	-	6.82	-	-	-	-	-	-	-	2,777.42	64.70	-	-	-
Turnover	107,826.54	113,467.27	7,961.92	9,495.74	401.38	86.40	1,104.94	-	-	1,126.50	390.90	-	-	-	-	-	12,114.41
Profit Before Taxation	1,388.04	586.50	(1,038.02)	810.70	23.46	4.48	90.65	(486.85)	67.80	(105.70)	(12.27)	(7.40)	(5.34)	(5.25)	(1.46)	(2.60)	558.01
Provision for Taxation	186.12	206.27	(337.49)	266.86	4.99	-	-	-	-	-	(3.79)	-	-	-	-	-	(61.70)
Profit After Taxation	1,201.92	380.23	(700.53)	543.84	18.47	4.48	90.65	(486.85)	67.80	(105.70)	(8.48)	(7.40)	(5.34)	(5.25)	(1.46)	(2.60)	619.71
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reporting Currency	Dollar (USD)	Indian Rupee (INR)	Indian Rupee (INR)	Indian Rupee (INR)	Pounds (GBP)	Euro	Dhham (AED)	Indian Rupee (INR)	Indian Rupee (INR)	Yeni Turk Lirasi (YTL)	Indian Rupee (INR)	Euro	Dollar (USD)	Dollar (USD)	Swiss Franc (CHF)	Swiss Franc (CHF)	Euro

*Indian Rupee equivalents of the figures given in foreign currencies, have been given based on exchange rates as on 31.03.2014

R 1 = GBP 0.0100
R 1 = EURO 0.0121
R 1 = USD 0.0167
R 1 = YTL 0.0358
R 1 = CHF 0.0148
R 1 = AED 0.0613

Financial year 2013-2014 has been very significant for JSL CSR in aligning itself to the Companies Act 2013. The year has also been very momentous in championing the issue of 'Human' and 'Business' Rights. At Hisar and Jajpur, the key social developmental strategies laid the foundation for programs including education and skill development, women empowerment, community development, integrated health care, and infrastructure development. There have been remarkable outcomes which, besides scaling up the activities, are indicative of focused achievements aimed at touching lives of many in varied ways.

Some of the highs are appended below:

Education - Initiatives have benefitted over 3000 children through different approaches like formal, OP Jindal School and Vidya Devi Jindal School and non-formal, remedial and education through sports programs.

Skill Training - The institutes at different locations have trained youth in Industrial, Electrical, IT, Sign Language for the deaf, Dress Designing and Beauty Culture.

Health vans reached out to 40 villages wherein more than 32000 people were provided with primary healthcare services during the current FY.

Women Empowerment Programs reached out to over 3000 women who contributed towards monthly savings and were encouraged to become self-reliant through developing their entrepreneurial skills.

JSL has been streamlining the Women Empowerment Principles within the company.

Keeping in line with the WEP, the company has come up with safety guidelines for women, encouraging women to apply in JSL and having women employees at Managerial positions. JSL also has a strong Internal Complaints Committee.

Infrastructure Developments in government schools, community centers, roads, play grounds and many other sectors have been initiated by JSL.

Business & Human Rights - The Company has been engaged in creating greater awareness amongst various stakeholders on issues relating to 'business' and 'human' rights, especially in the domain of environmental and security and has been developing internal grievance mechanism processes. JSL-CSR organized a number of meetings with different stakeholders to include the large corporations and MSME sector.

JSL CSR instituted a new project last year in partnership with the Ministry of Rural Development (MoRD), with the aim of imparting skill training to unemployed youth of the State of Jammu & Kashmir. The students have completed their Short Term Course. Besides the short term course, the Himayat project also has a long term programme, which for the first time is being carried out under the aegis of JSL at different plant locations.

In the coming year, JSL CSR will continue to focus on skill development, education, women empowerment, environment and business and human rights. A new project 'Project Paper Back', initiated by JSL CSR, essentially focuses on the concept of 'Use - Reuse - Recycle' paper. JSL CSR is committed in making a difference to lives of people through simple and small initiatives and then taking to scale.



Key Highlights 2013-14

- Stainless Steel Melt Shop production 1,135,259 tons
- Stainless Steel Sales volume crossed a million ton mark for the first time ever
- Gross Revenue ₹ 12,973 crore
- EBIDTA ₹ 886 crore
- PAT ₹(1,390) crore

Contribution to Government & Society (₹ crore)

	2011-12	2012-13	2013-14
Direct Taxes	70	44	47
Indirect Taxes	328	617	755
CSR Initiatives	6	1	2
Total	403	662	804

Stainless Steel Melting Production (tons)

2009-10	677,841
2010-11	701,814
2011-12	805,271
2012-13	1,032,611
2013-14	1,135,259

5 years CAGR : 13.76%

Stainless Steel Sales Volume (tons)

2009-10	606,854
2010-11	640,404
2011-12	708,405
2012-13	917,076
2013-14	1,030,208

5 years CAGR : 14.15%

Gross Revenue (₹ crore)

2009-10	6,119
2010-11	7,351
2011-12	8,498
2012-13	11,122
2013-14	12,973

5 years CAGR : 20.66%

EBIDTA* (₹ crore)

2009-10	1,060
2010-11	1,081
2011-12	904
2012-13	615
2013-14	886

*Excluding other non-operational income

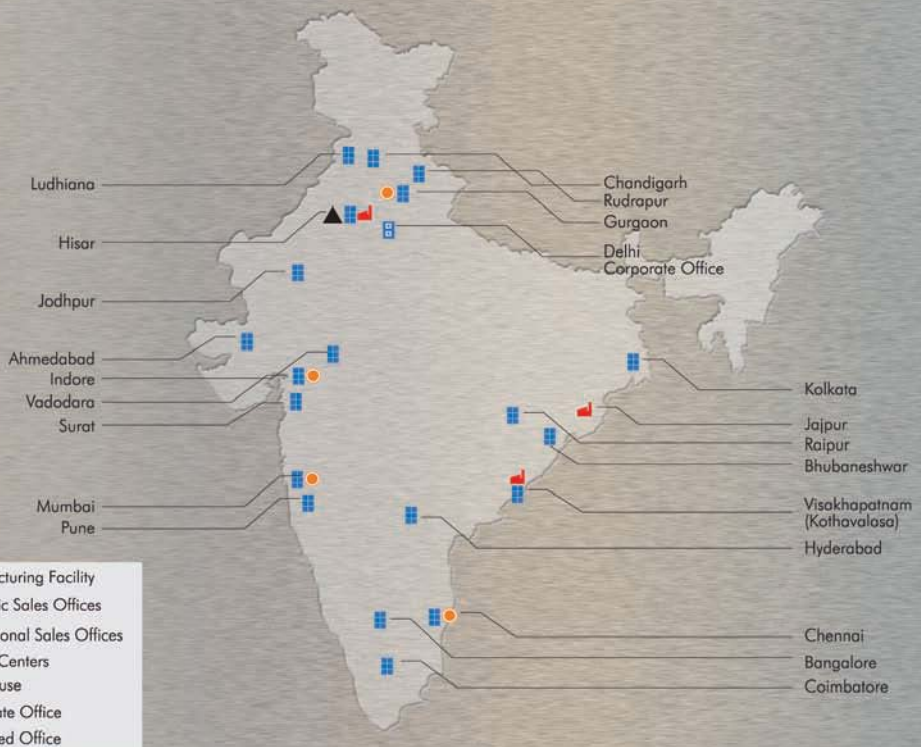
EBIDTA/Net Sales (%)

2009-10	18.4%
2010-11	15.8%
2011-12	11.5%
2012-13	6.0%
2013-14	7.4%

SS Domestic Export Volume Ratio

2009-10	79%	21%
2010-11	79%	21%
2011-12	79%	21%
2012-13	73%	27%
2013-14	75%	25%

■ Domestic ■ Export



- Manufacturing Facility
- Domestic Sales Offices
- International Sales Offices
- Service Centers
- Warehouse
- Corporate Office
- Registered Office



Jindal Stainless Limited

CIN: L26922HR1980PLC010901

Regd. Office : O.P. Jindal Marg, Hisar - 125 005 (Haryana) India

Phone No. (01662) 222471 - 83, Fax No. (01662) 220499

Email:investorcare@jindalstainless.com

website:www.jindalstainless.com