

# ANNUAL REPORT 2014-15

JINDAL STAINLESS (HISAR) LIMITED





**Shri O.P. Jindal**

August 7, 1930 - March 31, 2005  
Visionary and Founder, O.P. Jindal Group

## 'Man of the People'

Shri Om Prakash Jindal, founder of the O. P Jindal Group believed in the strength of his people. For him, his people stood first and he kept his door always open for them. His philosophies of life contradicted the perceived wisdom of centuries. He subsided the imperial notion, where 'power over people increases mystique & aura', and created a place for his workers much above the defined space. 'To create value for society, one often has to go against the established norms'; he said and followed his dictum religiously. In this quest, he provided the best of facilities to his people that included not only housing, financial assistance, job security but also a workplace where all the employees were treated equally. His altruistic spirit, deeply embedded in the foundation of Jindal Stainless, still upholds its people high aloft.



**Smt. Savitri Devi Jindal**  
Chairperson Emeritus

At Jindal Stainless (Hisar) Limited we are committed to doing business in a sustainable manner with a focus on the concept of 'Shared Value'. Our core approach toward addressing the social & development issues is to encourage all stakeholders to undertake sustainable interventions with the aim of achieving the overarching vision of Jindal Stainless (Hisar) Limited (JSHL), 'To be admired as a Socially Responsible Corporate.'

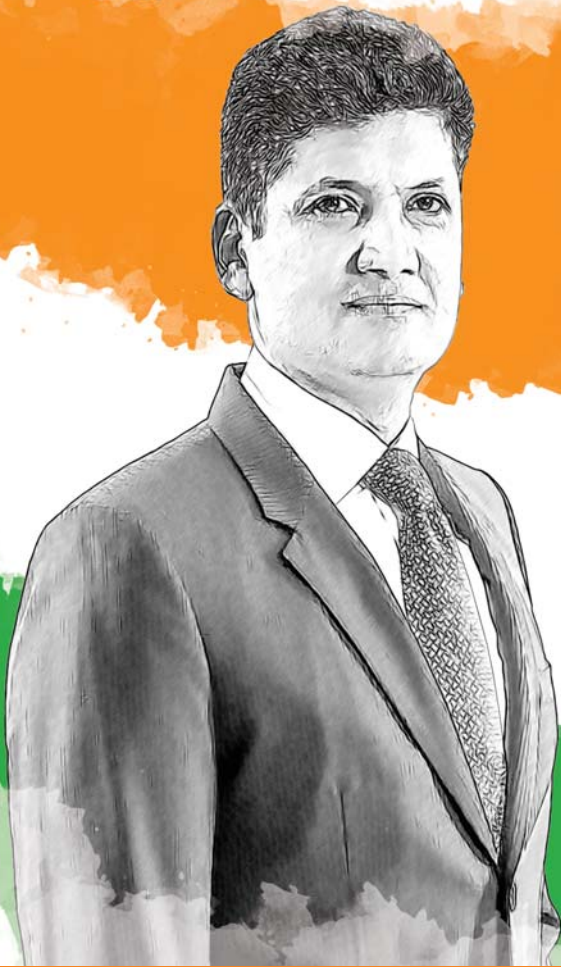
I feel very encouraged to see that in the vicinity of the plant locations, JSHL is committed to a number of community development projects, thereby engaging in the process of development & growth and creating opportunities for all. I am particularly touched by the projects directed at 'Empowering women' as I believe that 'empowering a woman is to empower a family and by empowering a family you empower a community'. Through such empowerment, I am particularly happy to note the positive impact education has made in society, which has transformed lives in the community with education being a change agent in the overall community growth. I am also happy to note that through our CSR initiatives, the women have moved toward financial literacy and that they now have their own bank accounts, which is a good indicator of a robust and an effective community governance structure. The women self help groups, which have been created in various villages around Hisar, because of their empowerment, are engaged in micro credit activities and have started inter-lending activities as also are being encouraged to take loans from banks.

Toward mitigating problems of health I am happy to note that facilities of NC Jindal Institute of Medical Sciences, Hisar have been augmented and the new recently introduced - Cardio and Cancer Centers besides the Nursing School have started functioning well. People from Hisar and neighboring areas 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 people, where health care is scarcely available.

In addition, the other areas of skill development, livelihood generation and 'Save the girl child' projects are doing well at Hisar. Further the initiative with farmers focus on growing organic products has taken off well, with the producers getting higher prices of their products only because of the 'Trust' factor.

JSHL has been engaged in creating integrated and sustainable models of growth and development and linking up hard core business strategies with the community outreach work, thereby strengthening inclusivity. I am certain with the support of all stakeholders, the vision of Mr. Ratan Jindal, CMD JSHL, will be accomplished and the Company continue to remain a socially, responsible Corporate and in the process contribute toward the country's overall growth and development.





**Shri. Ratan Jindal**  
Chairman

### Dear Shareholders

In 2014, global stainless steel melt shop production increased by 8.3% year-on-year to reach 41.7 million metric tons (mmt). This exceeds the previous record mark, set in 2013, by more than 9%. However, due to expansion of production in China and other emerging nations, the trend plateaued in the second half and turned towards lower levels for the rest of the year.

The volatility of market impacted most of the stainless steel producers in the world. However JSHL, with its unwavering endeavour, continued to outrun. Even though the overall volumes of the company in under segment remained constant at around 4,62,000 mt the share of domestic sales improved from 75 % to 79% over the last financial year.

I would also like to inform that during the year, your company entered into a new phase following the approval of Asset Monetisation cum Business Re-organization Plan (AMP) by lenders with Composite Scheme of Arrangement as its integral part. Subsequently, the scheme received NOC from the Stock Exchanges ensuing the approval from Hon'ble High Court of Punjab & Haryana. Ergo, two separate legal entities viz., Jindal Stainless (Hisar) Limited (JSHL) and Jindal Stainless Limited (JSL) have started operating. Also, Jindal Stainless Corporate Management Services Private Limited (JSCMSPL) has been established to provide consultancy and advisory services, inter-alia, to both JSHL and JSL.

### Global Stainless Steel Scenario

The official estimates of International Stainless Steel Forum serve as a clear pointer to the fact that stainless steel has overtaken all other metals in terms of compounded annual growth. Global Crude Stainless Steel production, during 2014, was 41.7 Million tons (as compared to 2013 production of 38.1 Million) registering a growth of 9.4%. In 2014, China contributed 52%, European Union 17%, Japan 8%, India 7% & Americas 6% of total global production. Growth registered in 2014 was majorly on account of 14% growth in China, 15% in Americas & 5% in Japan over 2013 figures. China in last few years has increased production manifold with its share in global production going up to 52% in 2014 from 26% in 2008.

## Indian Stainless Steel Scenario

Stainless steel demand in India is expected to touch 6.9 million tonnes by 2025 at present rate of growth in GDP. Stainless steel consumption in India is witnessing higher rate of growth than carbon steel and going by the same estimate, share of stainless steel in total steel consumption is expected to rise to approximately 5%. This heartening figure marks out stainless steel as the most promising metal in the times to come.

With India forecast to become the fastest-growing emerging market and with GDP growth likely to touch 8% p.a, the growth in stainless steel consumption would be at 1.43 times of the GDP growth rate. Going by even the most conservative estimate, stainless steel consumption in the country is expected to annually grow by 11.44% p.a. The Indian Stainless Steel production has also increased from 1.8 Million tonnes in 2008 to 2.9 Million tonnes in 2014 at a CAGR of app. 7.7% with flat products accounting for app. 2.3 Million tonnes.

The vision of 'Make in India' programme is expected to propel growth in new sectors. Besides traditional segment of kitchenware & utensils the growth will be largely driven by ABC (Architecture, Building & Construction) segment, ART (Automobile, Railways & Transportation), process industry segment & defence sector. These developments will have a huge positive effect on the stainless steel industry and its future growth trajectory.

The Indian Stainless Steel Market has grown by 16 % in FY 14-15 over FY 13-14 in the Value Added Product segment. In keeping with this trend, the share of value added products like CRAP & SPD Products in JSL's sales grew from 41% in FY13-14 to 49.5% in FY14-15

Imports from China & ASEAN countries like Malaysia are hurting the domestic industry. The excess capacity and slowdown in China continue to remain a serious threat to the domestic industry and unless and until government takes some stern measures to check the surge in imports, dumping shall continue unabated. Import of stainless Steel Flat products into Indian market grew by an alarming 37% in FY 2014-15 as compared to FY 2013-14. Imports from China averaged about 18,500 MT/month in FY14-15 as compared to 9,500MT/month for FY13-14- recording an increase of 95% YoY.

Industry is looking forward for some positive actions from the government in form of Anti Dumping and Safeguard Duty. The proposed Mandatory Quality Standards Order on few stainless grades would also support the industry. Lowering of basic custom duties on inputs coupled with an increase in duty on finished good may provide the much needed succour to the domestic industry.

## Business Highlights (Standalone)

JSHL's (Standalone) gross revenue for the financial year ended 31st March, 2015 at Rs 8,142 crore. Profit before depreciation, interest, exceptional item and taxes stood at Rs. 735 crore. Net profit/ (loss) stood at Rs. 12 crore.

## Way Forward

During the financial year 2014-15, company focused on development of new value added stainless steel grades, process improvements and customer satisfaction through developing customised products matching their specific requirements. Simultaneously several measures are undertaken to reduce cost in different production units. Our future plan of action will be focussed on –

- Development of value added and customized products for defense and aerospace sectors.
- Export of novel grades of stainless steels.
- Input cost reduction by optimizing addition of fluxes & deoxidisers.
- Energy conservation by warm charging of slabs.

To strengthen the Internal Process & Systems, Customer Serviceability remains the core focus of the Company. 'Creating Awareness', 'Technical Selling', 'Increasing Responsiveness' and 'Flexibility for Customers', are being practiced every day by all associates to have a satisfied & happier Customer base. For a speedier resolution of problems, Complaint resolution and for providing faster Technical Support to the Customers, technical persons with QA backgrounds are posted at Gurgaon, Mumbai, Vadodra & Chennai.

I am confident that the implementation of the AMP in totality will be value accretive and will allow your Company to better leverage and align the strengths and diversity of Company and its operation. This effort includes strengthening the financial position to support Company's strategic plans and continued business transformation. Moreover, JSHL will be able to expand and diversify into new product segments with focus on specialised stainless steel. I also expect that your company continues to generate free cash flows, as it has demonstrated in the past, on standalone basis. Withal, the Scheme is in the best interest of the shareholders, creditors, employees and other stakeholders, as it would result in enhancement of shareholder value and greater focus on revenue growth and expansion opportunities.

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 and analysts.

I would also like to thank our employees, the management team, the directors on the board for their unwavering support during these challenging times. I extend my sincere thanks to all our customers for their continued loyalty.



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**Chairperson Emeritus**  
Savitri Jindal

**Chairman**  
Ratan Jindal

**Vice Chairman**  
Abhyuday Jindal

**Whole Time Director**  
Ashok Kumar Gupta

**Directors**  
T.S. Bhattacharya  
Kanwaljit Singh Thind  
Ishani Chattopadhyay

**Chief Financial Officer**  
Ankur Agrawal

**Company Secretary**  
Bhartendu Harit

**Statutory Auditors**

**M/s. N.C. Aggarwal & Co.**  
Chartered Accountants

**Cost Auditors**

Messrs Kabra & Associates,  
Cost Accountants

**Registered Office**

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

**Works**

Hisar (Haryana),  
Kothavalasa (Andhra Pradesh)



**Jindal Stainless (Hisar) Limited**

(Formerly: Jindal Stainless (Hisar) Private Limited ,  
KS Infra Tower and Landmark Private Limited)

(CIN: U27205HR2013PLC049963)

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

Phone No. (01662) 222471-83 Fax No. (011) 220499

Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110 066.

Phone No. (011) 26188345-60, 41462000, Fax No. (011) 41659169, 26101562

Email Id. for Investors: investorcare.jshl@jindalstainless.com; Website: www.jshlstainless.com

**NOTICE** is hereby given that the 2nd **Annual General Meeting** of Shareholders of **Jindal Stainless (Hisar) Limited** will be held on **Wednesday, the 30th day of December, 2015 at 11:30 a.m. at Registered Office** of the Company at O.P. Jindal Marg, Hisar – 125 005 (Haryana) to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt
  - a. the audited financial statements of the Company for the financial year ended on 31st March, 2015, the Reports of Board of Directors and Auditors thereon, and
  - b. the audited consolidated financial statements of the Company for the financial year ended on 31st March, 2015 and the reports of the Auditors thereon.
2. To appoint Statutory Auditors and Branch Auditors and to fix their remuneration and in connection therewith, to pass, with or without modifications, the following resolutions as Ordinary Resolutions:
  - I. **"RESOLVED** that pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Lodha & Co, Chartered Accountants (Firm Regn. No. 301051E) and M/s. S.S. Kothari Mehta & Co., Chartered Accountants (Firm Regn. No. 000756N), be and are hereby appointed as Joint Statutory Auditors of the Company to conduct audit of the books of accounts of the Company for a period of five consecutive years, i.e. upto the conclusion of its 7th Annual General Meeting at a remuneration as may be finalized by the Board of Directors of the Company."
  - II. **"RESOLVED** that pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. N.C. Aggarwal & Co., Chartered Accountants (Firm Regn. No. 003273N), be and are hereby appointed as branch auditors for Visakhapatnam division of the Company to conduct audit of the books of accounts of Visakhapatnam division of the Company for a period of five consecutive years, i.e. upto the conclusion of its 7th Annual General Meeting at a remuneration as may be finalized by the Board of Directors of the Company."

**SPECIAL BUSINESS:**

**TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATIONS, THE FOLLOWING RESOLUTIONS:**

**3. AS A SPECIAL RESOLUTION:**

**APPOINTMENT OF MR. RATAN JINDAL AS A DIRECTOR IN THE CAPACITY OF NON-EXECUTIVE CHAIRMAN WITH PAYMENT OF COMMISSION ON PROFITS OF THE COMPANY.**

**"RESOLVED** that pursuant to the provisions of Section 152, 161 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time, Mr. Ratan Jindal (DIN: 00054026), who was appointed as an Additional Director upon identification by the Nomination and Remuneration Committee of the Company after satisfying the criteria laid by the Nomination and Remuneration Committee of the Company and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director and Non-Executive Chairman of the Company, not liable to retire by rotation."

**"RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, as may be amended from time to time, and subject to all necessary consents and approvals including consent of Central Government, if required, consent of the Company be and is hereby accorded to the payment of Commission up to 4% on the net profits of the Company, as calculated in terms of provisions of Section 198 of the Companies Act, 2013, every year for a period of five years commencing from 1st April, 2015 till 31st March, 2020, as approved by the Nomination and Remuneration Committee of Directors of the Company keeping in mind the performance of the Company and all other prevailing scenarios."

**4. AS AN ORDINARY RESOLUTION:**

**APPOINTMENT OF MR. ABHYUDAY JINDAL AS A DIRECTOR IN THE CAPACITY OF NON-EXECUTIVE VICE CHAIRMAN OF THE COMPANY.**



**"RESOLVED** that pursuant to the provisions of Section 152, 161 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time, Mr. Abhyuday Jindal (DIN: 07290474), who was appointed as an Additional Director upon identification by the Nomination and Remuneration Committee of the Company after satisfying the criteria laid by the Nomination and Remuneration Committee of the Company and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director and Non-Executive Vice Chairman of the Company, liable to retire by rotation."

**5. AS AN ORDINARY RESOLUTION:**

**APPOINTMENT OF MR. ASHOK KUMAR GUPTA AS A DIRECTOR.**

**"RESOLVED** that pursuant to the provisions of Section 152, 161 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time, Mr. Ashok Kumar Gupta (DIN: 01722395), who was appointed as an Additional Director upon identification by the Nomination and Remuneration Committee of the Company after satisfying the criteria laid by the Nomination and Remuneration Committee of the Company and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

**6. AS A SPECIAL RESOLUTION:**

**APPOINTMENT OF MR. ASHOK KUMAR GUPTA IN THE CAPACITY OF WHOLE-TIME DIRECTOR, WITH REMUNERATION, OF THE COMPANY FOR A PERIOD OF THREE YEARS.**

**"RESOLVED** that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Companies Act, 2013, as may be amended from time to time, (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII) and subject to all necessary consents and approvals including consent of Central Government, if required, consent of the Company be and is hereby accorded to the appointment of Mr. Ashok Kumar Gupta as Whole-time Director for a period of 3 years with effect from 2nd November, 2015 at remuneration, perquisites and other terms and conditions as mentioned below:

1. Mr. Ashok Kumar Gupta, shall, subject to superintendence, control and direction of the Board of Directors of the

Company, have the management of whole of the affairs of the Company and accordingly, shall be deemed to be the "Manager" of the Company, in terms of the provisions of Section 2(53) of the Companies Act, 2013.

2. Period of appointment: 3 years with effect from 2nd November, 2015 to 1st November, 2018.
3. Remuneration:
  - (a) **Annual Fixed Pay** (inclusive of basic salary, perquisites, allowances and other benefits): Upto ₹ 2,00,00,000/- (Rupees Two Crore only)
  - (b) **Variable Pay** (Performance Linked Incentive) to be paid as per PLVR Scheme of the Company or such sum as may be determined by the Board and/or Nomination and Remuneration Committee of Directors of the Company, from time to time.
  - (c) **Retirement / Other benefits:** Gratuity, provident fund, leave encashment, group personal accident insurance, mobile phone expenses, medical insurance and other benefits as per the applicable policies and rules of the Company.
4. He shall also be entitled to such annual increment as may be determined by the Board and/or Nomination and Remuneration Committee of Directors of the Company.
5. He shall also be entitled to reimbursement of all legitimate expenses actually and properly incurred by him while performing his duties and such reimbursement will not form part of his remuneration.
6. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
7. He shall be liable to retire by rotation. However, retirement by rotation and re-appointment shall not be deemed to be a break in service.

**"RESOLVED FURTHER** that in the event of inadequacy or absence of profits under Section 197 of the Companies Act, 2013 in any financial year or years, the remuneration as approved herein be paid as minimum remuneration to Mr. Ashok Kumar Gupta, subject to receipt of requisite approvals under the said Act."

**"RESOLVED FURTHER** that the Board and/or Nomination and Remuneration Committee of Directors of the Company be and is hereby authorized to vary and/or revise the remuneration of Mr. Ashok Kumar Gupta and settle any question or difficulty in connection therewith and incidental thereto."

**7. AS AN ORDINARY RESOLUTION:**

**TO CONSIDER APPOINTMENT OF MR. T.S. BHATTACHARYA AS AN INDEPENDENT DIRECTOR.**

**"RESOLVED** that pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as

may be amended from time to time, and Clause 49 of the Listing Agreement, as may be amended, superseded or replaced from time to time, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. T.S. Bhattacharya (DIN: 00157305), who was appointed as an Additional Director on 2nd November, 2015 by the Board of Directors upon identification by the Nomination and Remuneration Committee of the Company after satisfying the criteria laid by the Nomination and Remuneration Committee of the Company and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office shall not be liable to retirement by rotation, to hold office for a term of 2 (two) consecutive years commencing w.e.f. 2nd November, 2015 till 1st November, 2017."

**8. AS AN ORDINARY RESOLUTION:**

**TO CONSIDER APPOINTMENT OF MAJ. GEN. KANWALJIT SINGH THIND, VSM (RETD.) AS AN INDEPENDENT DIRECTOR.**

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time, and Clause 49 of the Listing Agreement, as may be amended, superseded or replaced from time to time, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) (DIN: 06969654), who was appointed as an Additional Director on 2nd November, 2015 by the Board of Directors upon identification by the Nomination and Remuneration Committee of the Company after satisfying the criteria laid by the Nomination and Remuneration Committee of the Company and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office shall not be liable to retirement by rotation, to hold office for a term of 2 (two) consecutive years w.e.f. 2nd November, 2015 till 1st November, 2017."

**9. AS AN ORDINARY RESOLUTION:**

**TO CONSIDER APPOINTMENT OF MS. ISHANI CHATTOPADHYAY AS AN INDEPENDENT DIRECTOR.**

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as

may be amended from time to time, and Clause 49 of the Listing Agreement, as may be amended, superseded or replaced from time to time, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Ishani Chattopadhyay (DIN: 00303114), who was appointed as an Additional Director on 2nd November, 2015 by the Board of Directors upon identification by the Nomination and Remuneration Committee of the Company after satisfying the criteria laid by the Nomination and Remuneration Committee of the Company and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office shall not be liable to retirement by rotation, to hold office for a term of 2 (two) consecutive years commencing w.e.f. 2nd November, 2015 till 1st November, 2017."

**10. AS AN ORDINARY RESOLUTION:**

**APPOINTMENT OF M/S. KABRA & ASSOCIATES, COST ACCOUNTANTS, AS COST AUDITORS OF THE COMPANY.**

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as may be amended from time to time, M/s Kabra & Associates, Cost Accountants, 552/1B, Arjun Street, Main Vishwas Road, Vishwas Nagar, Delhi – 110032, the Cost Auditors appointed by the Board of Directors of the Company for the accounting year 2015-16 in connection with conducting audit of cost accounting records of business activities relating to Steel business, be paid a remuneration of ₹1,30,000 (Rupees One lac thirty thousand only) including Performance Appraisal Fee and exclusive of Out of Pocket Expenses and Service Tax."

**RESOLVED FURTHER** that the Board of Directors be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

**11. AS AN ORDINARY RESOLUTION:**

**AUTHORITY TO ENTER INTO RELATED PARTY CONTRACTS / ARRANGEMENTS / TRANSACTIONS.**

"RESOLVED that subject to the provisions of Section 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 read with related rules thereto and Clause 49 of the Listing Agreement, as may be amended, superseded or replaced from time to time, Regulation 23(4) and 23(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and all other applicable provisions of law, the approval of the Company be and is hereby accorded to the Board of Directors, to enter into one or more contracts / arrangements / transactions with Jindal Stainless Steelway Limited (JSSL), subsidiary of the Company and Jindal Stainless Limited (JSL), all being 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and Clause

49 VII(B) of the Listing Agreement, as may be amended, superseded or replaced from time to time, relating to sale or purchase of products, goods, materials or services besides other common corporate expenditure, for an estimated amount of up to ₹ 180,000 Lacs (Rupees One Hundred Eighty Thousand Lacs only) for JSSL and ₹ 120,000 Lacs (Rupees One Hundred Twenty Thousand Lacs only) for JSL every financial year on such terms and conditions as may be mutually agreed upon between the Company and JSSL and JSL, provided however that the said transactions shall at all times be entered into on arm's length basis and in the ordinary course of Company's business."

**"RESOLVED FURTHER** that the Board of Directors be and are hereby authorized to decide upon the nature and value of the products, goods, materials or services etc. to be transacted with JSSL and JSL within the aforesaid limits."

**"RESOLVED FURTHER** that the Board of Directors of the Company be and are hereby also authorized to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution."

**"RESOLVED FURTHER** that the Board of Directors of the Company be and are hereby also authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company to give effect to the above resolutions."

**Registered Office:**  
O.P. Jindal Marg  
Hisar – 125 005, Haryana.  
25th November, 2015

By order of the Board  
  
**(Bhartendu Harit)**  
Company Secretary

#### NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. Pursuant to Section 105 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 a person shall not act as proxy for more than fifty (50) members and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. A blank proxy form is sent herewith.
3. The instrument appointing the proxy should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
4. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to special business to be transacted at the meeting is annexed hereto.

5. Under the 'Green Initiative' of the Ministry of Corporate Affairs, Notice of Annual General Meeting is being sent to the members who have registered email ids, through email and to all other members by Regd. Post / Courier.
6. All documents referred to in the accompanying Notice and the Explanatory Statement are open to inspection by the members at the registered office of the Company on all working days up to the date of Annual General Meeting between 11:00 AM and 5:00 PM.
7. The business of the meeting may be transacted by the members through electronic voting system. Members who do not have access to e-voting facility have the option to request for physical copy of the Ballot Form by sending an e-mail to investorcare.jshl@jindalstainless.com by mentioning their Folio / DP ID and Client ID No or download from Company's website www.jshlstainless.com. However, the duly completed Ballot Form should reach the registered office of the Company not later than Monday, 28th December, 2015 (5:00 p.m. IST). A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through E-voting shall prevail and voting done through Ballot shall be treated as invalid.

#### Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

##### ITEM NO. 3

The Board of Directors had appointed Mr. Ratan Jindal as an Additional Director in the capacity of Chairman with effect from 2nd November, 2015, pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and Articles of Association of the Company. His appointment was recommended by the Nomination and Remuneration Committee of the Company. Terms of his appointment are as under:

1. Tenure: He will not be liable to retire by rotation.
2. He shall be entitled to receive sitting fees for attending the meetings of the Board of directors or committees thereof.
3. He shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the company.
4. He shall be entitled for an Office in the Company at the Company's expense for performance of his duties.

In terms of the provisions of Section 161(1) of the Act, Mr. Ratan Jindal will hold office up to the date of the ensuing Annual General Meeting of the Company.

A notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member signifying its intention to propose him as a candidate for the office of Director. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director. His brief resume, educational and professional qualifications, nature of his work experience etc. are given under the head "Additional Information".

The Nomination and Remuneration Committee also considered and recommended to the Board of Directors of the Company, payment of Commission up to 4% of the net profits of the Company as calculated in terms of the provisions of Section 198 of the Companies Act, 2013 every year for a period of five years commencing from 1st April, 2015 till 31st March, 2020, which the Board of Directors of the Company approved subject to subject to all necessary consents and approvals including consent of Central Government, if required.

The Board recommends the resolution set out at Item No. 3 as a Special Resolution to the Shareholders for their approval.

Mr. Ratan Jindal, being concerned, and Mr. Abhyuday Jindal, being relative of Mr. Ratan Jindal, may be deemed to be interested in the resolutions.

None of the other Directors or key managerial personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the above referred resolution.

#### ITEM NO. 4

The Board of Directors had appointed Mr. Abhyuday Jindal as an Additional Director in the capacity of Vice Chairman with effect from 2nd November, 2015, pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and Articles of Association of the Company. His appointment was recommended by the Nomination and Remuneration Committee of the Company. Terms of his appointment are as under:

1. Tenure: He will be liable to retire by rotation.
2. He shall be entitled to receive sitting fees for attending the meetings of the Board of directors or committees thereof.
3. He shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the company.

In terms of the provisions of Section 161(1) of the Act, Mr. Abhyuday Jindal will hold office up to the date of the ensuing Annual General Meeting of the Company.

A notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member signifying its intention to propose him as a candidate for the office of Director. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

His brief resume, educational and professional qualifications, nature of his work experience etc. are given under the head "Additional Information".

The Board recommends the resolution set out at Item No. 4 as an Ordinary Resolution to the Shareholders for their approval.

Mr. Abhyuday Jindal, being concerned, and Mr. Ratan Jindal, being relative of Mr. Abhyuday Jindal, may be deemed to be interested in the resolutions.

None of the other Directors or key managerial personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the above referred resolution.

#### ITEM NO. 5 & 6

The Board of Directors had appointed Mr. Ashok Kumar Gupta as an Additional Director with effect from 2nd November, 2015, pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and Articles of Association of the Company. He was appointed as Whole-time Director for a period of three years with effect from 2nd November, 2015, at a remuneration approved by the Nomination and Remuneration Committee and Board of Directors, subject to the approval of the Shareholders of the Company.

In terms of the provisions of Section 161(1) of the Act, Mr. Ashok Kumar Gupta will hold office up to the date of the ensuing Annual General Meeting of the Company.

A notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member signifying its intention to propose him as a candidate for the office of Director. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Mr. Ashok Kumar Gupta is Managing Director/ Key Managerial Personnel (KMP) of APL Apollo Tubes Limited also. Therefore, pursuant to Section 197 read with Schedule V of Companies Act, 2013, total remuneration drawn by him shall not exceed the higher maximum limit admissible from any one of the Companies. Further pursuant to the provisions of third Proviso to Section 203 (3) of the Companies Act, 2013, the resolution for appointment of Mr. Ashok Kumar Gupta with respect to his appointment as Whole Time Director was approved with the consent of all directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice was given to all directors of the Company.

The profile of Mr. Ashok Kumar Gupta and other information as required under second proviso of Section II(B) of Part II of the Schedule V to the Act are provided under the head 'Additional Information'. His appointment will be subject to retirement by rotation.

In compliance with the provisions of Section 197 of the Companies Act, 2013, the terms of remuneration specified in the resolution are placed before the members in the general meeting for their approval.

There is no contract of service in writing with Mr. Ashok Kumar Gupta. The terms set out in the resolution may be treated in compliance of Section 190 of the Companies Act, 2013.

His brief resume, educational and professional qualifications, nature of his work experience etc. are given under the head "Additional Information".

Your Directors recommend the resolutions at Item No. 5 as an Ordinary Resolution and 6 as a Special Resolution for your approval.

Mr. Ashok Kumar Gupta, being concerned, may be deemed to be interested in the resolutions.

None of the other Directors or key managerial personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the above referred resolutions.



**ITEM NO. 7, 8 & 9**

The Board of Directors appointed Mr. T.S. Bhattacharya, Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) and Ms. Ishani Chattopadhyay as Additional Directors with effect from 2nd November, 2015. Their appointments were recommended by the Nomination and Remuneration Committee of the Company.

In terms of provisions of Section 161(1) of the Act, they will hold office up to the date of this Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors), Rules 2014, an Independent Director shall hold office for a period of up to 5 consecutive years and shall not be liable to retire by rotation.

Mr. T.S. Bhattacharya, Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) and Ms. Ishani Chattopadhyay are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has also received declarations from them that they meet the criteria of Independence as prescribed under Section 149(6) of the Act and Clause 49 of the listing agreement, as may be amended, superseded or replaced from time to time.

The Board of Directors considered the matter of their appointment in its meeting held on 2nd November, 2015 on recommendation of the Nomination and Remuneration Committee and felt that their association would be of immense benefit to the Company and proposed their appointment as Independent Directors under Section 149 of the Act, whose office shall not be liable to retirement by rotation, to hold office for a term of 2 years commencing from 2nd November, 2015 till 1st November, 2017. In the opinion of the Board, they fulfill the conditions of appointment as an Independent Director as specified in the Act, The Agreements and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Company has received notices in writing from members in terms of Section 160 of the Act alongwith deposit of requisite amount proposing their candidature to be appointed as directors in this Annual General Meeting.

Their brief resumes, educational and professional qualifications, nature of their work experience etc. are given under the head "Additional Information".

Copies of the draft letters setting out the terms and conditions for the appointments of Mr. T.S. Bhattacharya, Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) and Ms. Ishani Chattopadhyay as Independent Directors are available for inspection by the Members at the Registered Office of the Company during normal business hours on working days upto the date of this Annual General Meeting.

The Board recommends the resolutions set out at Item No. 7, 8 and 9 as ordinary resolutions to the Shareholders for their approval.

Mr. T.S. Bhattacharya, Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) and Ms. Ishani Chattopadhyay, being concerned, may be deemed to be interested in the respective resolutions.

None of the other Directors or key managerial personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the above referred resolutions.

**ITEM NO. 10**

Pursuant to Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditors should be ratified by the shareholders of the Company.

The Board of Directors, in its meeting held on 27th September, 2015, on the basis of recommendations of the Audit Committee, appointed M/s Kabra & Associates, Cost Accountants, 552/1B, Arjun Street, Main Vishwas Road, Vishwas Nagar, Delhi – 110 032, as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2015-16 in respect of business activities relating to Steel business and subject to ratification by shareholders, fixed their remuneration at ₹ 1,30,000 (Rupees One Lac Thirty Thousand only) including Performance Appraisal Fee, and exclusive of Out of Pocket Expenses and Service Tax.

The Board recommends the resolution set out at Item No. 10 as an ordinary resolution to the shareholders for their approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in this resolution.

**ITEM NO. 11**

The Company in the ordinary course of its business and on arm's length basis, sells goods to Jindal Stainless Steelway Limited ("JSSL"), its subsidiary and Jindal Stainless Limited and also purchases goods from them, besides allocating common corporate expenditure.

JSSL is subsidiary of the Company and is a 'Related Party' of the Company within the meaning of Section 2(76)(viii) of the Companies Act, 2013 ("the Act") and JSL is 'Related Party' of the Company within the meaning of Section 2(76)(v) of the Act. JSSL and JSL are also related parties within the meaning of Clause 49 VII(B) of the Listing Agreement, as may be amended, superseded or replaced from time to time.

The values of the transactions proposed which will be on an arm's length basis, are based on the Company's estimated transaction value for FY 2015-16.

The proviso to Clause 49 VII(C) of the Listing Agreement, as may be amended, superseded or replaced from time to time, provides that a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company. Further, Clause 49 VII(E) of the Listing Agreement, as may be amended, superseded or replaced from time to time, provides that all material related party transactions shall require approval of the shareholders through ordinary resolution.

The contracts / arrangements / transactions relating to sale or purchase of products, goods, materials or services besides common corporate expenditure envisaged with JSSL and JSL are likely to exceed the thresholds prescribed under proviso to Clause 49 VII(C)

of the Listing Agreement, as may be amended, superseded or replaced from time to time, and are considered material.

Approval of the Shareholders is therefore being sought in terms of Clause 49 of the Listing Agreement, as may be amended, superseded or replaced from time to time,

The Board recommends the resolution set out at Item No. 11 as an ordinary resolution to the shareholders for their approval.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Ratan Jindal, Mr. T.S. Bhattacharya and Ms. Ishani Chattopadhyay, who are also Directors of Jindal Stainless Limited and Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.), who is also Director of Jindal Stainless Limited and Jindal Stainless Steelway Limited, are in any way, concerned or interested, financially or otherwise, in this resolution.

**The relevant details pursuant to Schedule V of the Companies Act, 2013, are as under:**

Sr. No.	Description	
<b>I</b>	<b>General Information</b>	
1	Nature of Industry	Your Company is engaged in manufacturing of Stainless Steel.
2	Date or expected date of commencement of commercial production	<p>The Hon'ble High Court of Punjab and Haryana at Chandigarh, vide its order dated 21st September, 2015 (as modified on 12th October, 2015), has approved the 'Composite Scheme of Arrangement' (Scheme) among Jindal Stainless Limited (JSL), Jindal Stainless (Hisar) Limited (JSHL), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) and their respective shareholders and creditors. Certified True copy of the said Order was received on 20th October, 2015 and was filed on 1st November, 2015, with the office of Registrar of Companies, NCT of Delhi and Haryana.</p> <p>As per the terms of the Scheme, upon filing of the aforesaid Order with the Office of the Registrar of Companies, NCT of Delhi and Haryana, Section I and II of the Scheme (pertaining to transfer of Demerged Undertakings comprised of Ferro Alloys Manufacturing facility at Kothavalasa, Distt. Vizianagaram, Andhra Pradesh and Chromites Mines and Business Undertaking 1 comprised of manufacturing facility at Hisar from JSL to JSHL) have become operative from the appointed date i.e. close of business hours before midnight of 31st March, 2014.</p>
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	During the year ended 31st March, 2015, Gross Revenue from operations of your Company on standalone basis was ₹ 8142.79 crore. Profit before other income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortisation on standalone basis stood at ₹ 712.89 crore. The detailed balance sheet, profit & loss account and other financial statement forms part of this annual report.
5	Foreign investments or collaborators, if any	<p>There are no foreign collaborators in your Company. Total foreign investment, comprising of foreign institutional investors, overseas corporate bodies, non-resident incorporated bodies, non-resident Indian etc. as on 31st March, 2015 stands at Nil.</p> <p>However, pursuant to the Scheme, the Company will issue and allot 23,11,85,445 equity shares of ₹ 2/- each to the equity shareholders of Jindal Stainless Limited. Accordingly, the Company will issue and allot its Equity Shares to the foreign institutional investors, overseas corporate bodies, non-resident incorporated bodies, non-resident Indian etc., whose name will appear on the list of shareholders of JSL as on the Record Date i.e. 21st November, 2015</p>

Sr. No.	Description	
<b>II Information about Appointee</b>		
1	Background details	Mr. Ashok Kumar Gupta is a qualified M.Sc. in Electronics and holds a Diploma in Business Management from MDI, Gurgaon. He comes with 35 years of varied work experience in Steel Industry. In his distinguished career, Mr. Ashok Kumar Gupta has served in various Senior Leadership capacities. His immense contributions in previous organizations has been in increasing production levels, improving profitability, reducing cost, establishing quality culture, expansion of business etc.
2	Past remuneration	Prior to his appointment as Whole-time Director, Mr. Ashok Kumar Gupta was working as Director – Finance, Marketing & CSM in Jindal Stainless Limited and was drawing the same salary as detailed in the Resolution at Item No. 6.
3	Job Profile and his suitability	Mr. Ashok Kumar Gupta is a Wholetime Director of the Company. He has also been nominated as Occupier of factories of the Company. Taking into account his qualifications, extensive experience and the responsibilities shouldered by him, the Board considers his appointment to be in the best interests of the Company.
4	Remuneration proposed	The details of remuneration proposed to be paid to Mr. Ashok Kumar Gupta have been provided at Resolution No. 6 of this Notice forming part of this Annual Report.
5	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The executives' remuneration in the industry is on the rise. The Nomination and Remuneration Committee perused remuneration of managerial persons in the steel industry and other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Ashok Kumar Gupta, before approving the remuneration as proposed herein before.
6	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Besides the remuneration proposed herein, Mr. Ashok Kumar Gupta does not have, directly or indirectly, any material pecuniary relationship with the Company or with the key managerial personnel.
<b>III Other Information</b>		
1	Reasons for loss or inadequate profits	<ul style="list-style-type: none"> <li>• The financial results of the Company during the year 2014-15 have been adversely impacted <i>inter alia</i> on account of continued dumping of stainless steel flat products in India and in particular the continued influx of cheap stainless steel from China</li> <li>• 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.</li> <li>• 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</li> <li>• Increase in basic custom duty on import of Steel Scrap</li> <li>• Increase in raw material cost due to volatile currency</li> </ul>

Sr. No.	Description	
2	Steps taken or proposed to be taken for improvement	The Company has undertaken / is under the process of undertaking several measures to further improve the efficiency in its business processes and to optimize the cost. The Company is now focusing more on the domestic market and diversification into international markets so that it can mitigate challenges arising from external sources.
3	Expected increase in productivity and profit in measurable terms	In the competitive environment, it is difficult to estimate the revenue/profits in measurable terms. As mentioned above, the Company is taking various efforts to increase its productivity and the management is confident of increase in revenue and profits in coming years.
<b>IV Disclosures</b>		
1	The remuneration paid to each Managerial Personnel is suitably disclosed in the Board of Directors' Report under the heading "Corporate Governance" being part of the Annual Report	
2	The following disclosures are mentioned in the Board of Directors' Report under the heading "Corporate Governance" attached to the annual report:(i) All elements of remuneration package, such as salary, benefits, bonuses, stock options, pensions etc. of all directors;(ii) Details of fixed component and performance linked incentives alongwith the performance criteria:(iii) Service contracts, notice period.(iv) Stock option details is given as Annexure to Directors Report.	

**Additional Information :** As required in terms of Clause 49 of the Listing Agreement, as may be amended, superseded or replaced from time to time and Secretarial Standard 2 issued by the Institute of Company Secretaries of India.

**Brief Profile of new directors appointed:**

**Mr. Ratan Jindal:**

Mr. Ratan Jindal has more than 30 years of experience in the steel industry. He is closely involved in the overall strategy, direction and management of the Company. Under his guidance and leadership qualities, Jindal Stainless Limited has undergone massive expansion, whereby it has doubled its capacity by way of setting-up an integrated stainless steel facility in Orissa with an installed capacity of a 8,00,000 TPA.

A Commerce graduate and alumnus of the Wharton School of Management, Mr. Ratan Jindal's focus has not only been on producing world class stainless steel flat products but, also on promoting the usage of stainless steel. It is this vision of his, which has given birth to companies such as JSL Architecture, Jindal Stainless Steelway and Arttinox. All these initiatives have played a major role in implementing Mr. Jindal's zeal for promotion of stainless steel and have in a small way played a role in shaping the modern urban infrastructure of the country, be it the Airports, Delhi Metro, Bus Shelters, or malls. These initiatives of his, have in their own small way have contributed in making India the third largest producer of stainless steel in the world, in little over four decades.

His apt leadership skills have made Jindal Stainless the largest integrated stainless steel producer in the country and has put Jindal Stainless amongst the top 10 global stainless steel producers. Today Jindal Stainless boasts of 1.8 million ton capacity and a revenue in excess of \$ 2.0 bn USD.

Following on his father's footsteps, Shri O.P. Jindal who believed that, "without the upliftment of weak and backward sections of the society, a nation can never prosper", Mr. Ratan Jindal has made Corporate Social Responsibility an integral part of Inclusive Management. He is the Chairman of the Board of a 600 bedded multi-specialty charitable hospital and also devotes time to oversee the functioning of two large schools, where more than 4000 students from all sections of society get access to education and no differentiation is done between the have and the have not's.

**DIN** : 00054026  
**Date of Birth** : 31.7.1961  
**Date of First Appointment** : 2nd November, 2015  
**No. of Shares held in the Company** : 74,24,148  
**Relationship with other Directors, Managers or KMP** : Mr. Abhyuday Jindal, Vice Chairman is son of Mr. Ratan Jindal.  
**Past Remuneration** : Not applicable, as he was not a Director on the Board of Directors of the Company.

**Remuneration proposed to be paid and terms and conditions of appointment/ reappointment:** The details of remuneration proposed to be paid to Mr. Ratan Jindal have been provided at Resolution No. 3 of this Notice forming part of this Annual Report.

**Outside Directorship:** Chairman and Managing Director of Jindal Stainless Limited, Managing Director of Jindal Stainless UK Limited and Director of Shalimar Paints Limited, Jindal Steel & Power Limited, Sonabheel Tea Limited, Jindal Industries Private Limited,



OPJ Investments & Holdings Ltd., Nalwa Fincap Limited, Nalwa Financial Services Limited, Jindal Stainless Mauritius Limited, Jindal Stainless FZE Limited, JSL Group Holdings Pte. Limited, JSL Ventures Pte. Limited.

**Committee Membership:** Nil.

**Mr. Abhyuday Jindal:**

Mr. Abhyuday Jindal is the youngest scion of the O.P Jindal Group. After graduating from Boston University with a B.A in Economics and a Minor in Business Management he entered the steel business as an apprentice for the JSW group under the leadership of Mr. Sajjan Jindal. During his time at JSW he evaluated the stake acquisition of Ispat Industries (India's 5th largest steel producer) and was involved in the post acquisition integration of JSW and Ispat.

Following this he worked as an associate at Boston Consulting Group where he was responsible for specific components of projects in varied industries. He specifically worked on projects in the cement, steel, wind turbine and auto components industry and gained specialized knowledge into the working of companies that manufacture industrial goods.

Presently, he is the manager of supply chain and operations at Jindal Stainless Group of Companies. He also provides strategic vision and direction to the consortia of JSL. He has used his experience to manage the diversification charter at the JSL Group, which today is a business conglomerate with a turnover exceeding USD 6 billion. His focus is on devising blue ocean strategies that strengthen the overall brand proposition and exploring new growth avenues for building uncontested market leadership for the company.

Recently, Mr. Abhyuday Jindal was appointed VP of Infrastructure Industry and Logistics Federation of India. In this role, Mr. Abhyuday Jindal works to forge strong public-private partnerships to ensure qualitative growth and performance in these sectors.

**DIN** : 07290474  
**Date of Birth** : 4th April, 1989  
**Date of First Appointment** : 2nd November, 2015  
**No. of Shares held in the Company** : 22,180  
**Relationship with other Directors, Managers or KMP** : Mr. Ratan Jindal, Chairman is father of Mr. Abhyuday Jindal.  
**Past Remuneration** : Not applicable, as he was not a Director on the Board of Directors of the Company.

**Remuneration proposed to be paid and terms and conditions of appointment / reappointment:** The details of remuneration proposed to be paid to Mr. Abhyuday Jindal have been provided at Resolution No. 4 of this Notice forming part of this Annual Report.

**Outside Directorship:** Nil.

**Committee Membership:** Nil.

**Mr. Ashok Kumar Gupta:**

Mr. Ashok Kumar Gupta is a qualified M.Sc. in Electronics and holds a Diploma in Business Management from MDI, Gurgaon. He comes with 35 years of varied work experience in Steel Industry. In his distinguished career, Mr. Ashok Kumar Gupta has served in various Senior Leadership capacities. His immense contributions in previous organizations has been in increasing production levels, improving profitability, reducing cost, establishing quality culture, expansion of business etc.

**DIN** : 01722395  
**Date of Birth** : 7th July, 1956  
**Date of First Appointment** : 2nd November, 2015  
**No. of Shares held in the Company** : 37,300  
**Relationship with other Directors, Managers or KMP** : No  
**Past Remuneration** : Not applicable, as he was not a Director on the Board of Directors of the Company.

**Remuneration proposed to be paid and terms and conditions of appointment / reappointment:** The details of remuneration proposed to be paid to Mr. Ashok Kumar Gupta have been provided at Resolution No. 6 of this Notice forming part of this Annual Report.

**Outside Directorship:** Managing Director of APL Apollo Tubes Limited and Director of Sanu Steels Private Limited.

**Committee Membership:** Nil

**Mr. T.S. Bhattacharya:**

Mr. T.S. Bhattacharya has a master degree in nuclear physics, a post graduate diploma in management sciences and is a Certified Associate of Indian Institute of Bankers. He has over 38 years of rich banking experience and last served the post of the Managing Director of State Bank of India in the year 2008.

**DIN** : 00157305  
**Date of Birth** : 24th January, 1948  
**Date of First Appointment** : 2nd November, 2015  
**No. of Shares held in the Company** : Nil  
**Relationship with other Directors, Managers or KMP** : No  
**Past Remuneration** : Not applicable, as he was not a Director on the Board of Directors of the Company.

**Remuneration proposed to be paid and terms and conditions of appointment / reappointment:**

The details of terms and conditions of appointment of Mr. T. S. Bhattacharya are available on website of the Company and shall be open for inspection by the Members at the Registered Office of

the Company during normal business hours on any working day, excluding Sunday.

**Outside Directorship:** Director of Jindal Stainless Limited, IDFC Securities Limited, Amartex Industries Limited, Speciality Restaurants Limited, Surya Roshni Limited, IDFC AMC Trustee Company Limited, Ind Swift Laboratories Limited, Nandan Denim Limited, Ess Dee Aluminum Limited.

**Committee Membership:** Chairman of Audit Committee of Specialty Restaurants Limited, Member of Audit Committee and Nomination and Remuneration Committee of Jindal Stainless Limited, Member of Audit Committee of Surya Roshni Limited.

**Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.):**

Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) has over 37 years of experience with progressive leadership, in the domain of Strategic and Operational Management, Human Resource Management, Organizational Development including Financial Planning of Procurement Procedures. He has recently retired as General Officer Commanding (CEO) from the Indian Army. During his tenure, he successfully served in various fields as CEO of an Army formation (Western Sector). He was also awarded most prestigious honour - Vishisht Seva Medal (VSM) in recognition for the outstanding contribution and devotion to duty in Army.

Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) is a post graduate in Defence Studies from University of Madras and has completed M. Phil in International Relations & Security. He is a keen Cricketer and led Haryana Cricket Team at National level.

**DIN** : 06969654  
**Date of Birth** : 14th May, 1955  
**Date of First Appointment** : 2nd November, 2015  
**No. of Shares held in the Company** : 515  
**Relationship with other Directors, Managers or KMP** : No  
**Past Remuneration** : Not applicable, as he was not a Director on the Board of Directors of the Company.

**Remuneration proposed to be paid and terms and conditions of appointment / reappointment:** The details of terms and conditions of appointment of Mr. Thind are available on website of the Company and shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Sunday.

**Outside Directorship:** Director of Jindal Stainless Limited and Jindal Stainless Steelway Limited.

**Committee Membership:** Member of Audit Committee of Jindal Stainless Limited.

**Ms. Ishani Chattopadhyay:**

Ms. Ishani Chattopadhyay aged about 40 years was appointed as an Additional Director (Non-Executive, Independent) with effect from

1st October, 2014. As per provisions of Section 161 of the Act, she shall hold office up to the date of the ensuing Annual General Meeting.

Ms. Ishani Chattopadhyay has several years of rich experience in senior management, project management, entrepreneurship and building new businesses. She has lived and worked in India, USA, Australia and the UK and was most recently Acting Regional Manager for a US based impact fund.

She is a Chemical Engineer from the University of Melbourne, Australia and holds an MBA from the London Business School and Colombia Business School. She started her career in management consulting with Accenture and worked in Melbourne, San Francisco and Washington DC offices deploying major projects for the firm. Post business school, she was Country Director of a UK based carbon trading and advisory company and started their offices in India and participated in their subsequent IPO on the LSE. She then moved onto become Regional Head India Middle East of Alternative energy and climate solutions from AES Corporation, a US major power.

She started her own company in 2009 and has dealt with the Indian government, utilities, and corporations as well as the private sector working on alternate energy, energy efficiency and demand side management. She also started her own incubation platform with one of the leading media houses in India to incubate early stage entrepreneurs with businesses that have measurable impact and profit and provided seed investing, scale up and mentorship to them.

**DIN** : 00303114  
**Date of Birth** : 29th December, 1974  
**Date of First Appointment** : 2nd November, 2015  
**No. of Shares held in the Company** : Nil  
**Relationship with other Directors, Managers or KMP** : No  
**Past Remuneration** : Not applicable, as he was not a Director on the Board of Directors of the Company.

**Remuneration proposed to be paid and terms and conditions of appointment / reappointment:** The details of terms and conditions of appointment of Ms. Ishani Chattopadhyay are available on website of the Company and shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Sunday.

**Outside Directorship:** Director of Arctic Energy Systems Private Limited and JSL Lifestyle Limited.

**Committee Membership:** Nil

**Registered Office:** O.P. Jindal Marg  
 Hisar – 125 005, Haryana.  
 25th November, 2015

By order of the Board  
**(Bhartendu Harit)**  
 Company Secretary

### Instructions for E-voting:

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as amended, the Company is pleased to provide E-Voting facility as an alternate for Shareholders of the Company to enable them to cast their votes electronically on the resolutions mentioned in the Notice of the 2nd Annual General Meeting of the Company to be held on Wednesday, the 30th day of December, 2015. For this purpose, necessary arrangements have been made with the Central Depository Services (India) Limited ("CDSL") to facilitate e-voting. E-Voting is optional to the shareholders. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ("remote-voting"). The Company has appointed Mr. Subhash Gupta, Advocate, as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. The list of shareholders/beneficial owners shall be reckoned on the equity shares as on 25th November, 2015.

### Process and Manner for Shareholders opting for e-voting is as under:-

- (i) The remote e- voting period begins on 27th December, 2015 at 9.00 a.m. and ends on 29th December, 2015 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd December, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the Sequence number which is printed on Attendance Slip annexed with the Annual Report in loose leaf.</li> </ul>
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy) as recorded in your demat account or in the company records for the said demat account or folio.
Date of Birth (DOB)	If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v)

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

- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non-Individual Shareholders & Custodians:
  - Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) as well as Company Secretary at O.P. Jindal Marg, Hisar or email at [investorcare.jshl@jindalstainless.com](mailto:investorcare.jshl@jindalstainless.com).



**FOR ATTENTION OF SHAREHOLDERS**

1. Members are requested to immediately notify to the Registrar any change in their address, in respect of equity shares held in physical mode and to their depository participants (DPs) in respect of equity shares held in dematerialised form.
2. As per provisions of the Companies Act, 2013 read with relevant Rules thereof, facility for making nominations is available to individuals holding shares in the Company. Members holding shares in physical form may obtain Nomination Form No. SH-13 from the Company's RTA. Members holding shares in electronic form are required to approach their DPs for the nomination.
3. The Company's equity shares are compulsorily traded in dematerialised form by all investors. Shareholders are requested to get the shares dematerialised in their own interest.
4. The Securities and Exchange Board of India (SEBI) has, vide its Circular No. MRD/DoP/Cir-05/2009 dated 20th May, 2009, made it mandatory for the transferees to furnish copy of PAN card to the Company / RTA for registration of transfer of shares in physical form.
5. *The Company has created an Email Id. 'investorcare.jshl@jindalstainless.com', to be used exclusively for the purpose of redressing the complaints of the investors.*
6. Members should quote their email addresses, telephone / fax numbers to get a prompt reply to their communications.
7. Members desiring any information/clarification on the accounts are requested to write to the Company at least seven days in advance, so as to enable the management to keep the information ready at the annual general meeting.
8. As a measure of economy, copies of the Annual Report will not be distributed at the meeting. Members are requested to bring along their copies.
9. Members/proxies are requested to bring the attendance slip, duly filled in.
10. 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 consolidated financial statements of the Company include the financial results of all the subsidiary companies. The members, if they desire, may write to the Company Secretary at O.P. Jindal Marg, Hisar – 125 005 (Haryana) to obtain the copy of the annual report of the subsidiary companies  

The annual accounts of the subsidiary companies would be open and accessible for inspection by shareholder / investor at registered office of the Company and registered office of the subsidiary companies on any working day except holidays.
11. Members attending the AGM and desiring to go round the factory, are requested to inform a week in advance so that necessary arrangements are made.

**IN DEFERENCE TO THE GOVT. POLICY, NO GIFTS WILL BE DISTRIBUTED AT THE A.G.M.**

TO

THE MEMBERS,

Your Directors have pleasure in presenting the 2nd Annual Report on the business and operations of your Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2015.

### Financial Results

Your Company's performance for the financial year ended 31st March, 2015 is stated below:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	Year Ended 31.03.2015	Year Ended 31.03.2014	Year Ended 31.03.2015	Year Ended 31.03.2014
Revenue from operations (Gross)	814,279.32	-	898,603.10	-
Less: Excise Duty on sales	74,135.56	-	79,285.44	-
Revenue from Operations (Net)	740,143.76	-	819,317.66	-
Profit before other Income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortization (EBIDTA)	71,288.80	(0.23)	74,129.87	(0.23)
Add: Other Income	2,261.89	-	2,828.75	-
Less: Finance Costs	44,724.10	-	47,497.50	-
Less: Depreciation / Amortization	29,191.38	-	31,274.86	-
Profit/(Loss)Before Tax & Exceptional Items	(364.79)	(0.23)	(1,813.74)	(0.23)
Add: Exceptional Items – Gain/(Loss)	1,596.78	-	1,668.60	-
Profit/(Loss) Before Tax	1,231.99	(0.23)	(145.14)	(0.23)
Less: Tax Expenses	-	-	450.16	-
Net Profit/(loss) after Tax	1,231.99	(0.23)	(595.30)	(0.23)
Share in Profit / (Loss) of Associate	-	-	0.05	-
Minority Interest	-	-	(208.76)	-
Net Profit / (Loss) (After Adjustment for Associate & Minority Interest)	1,231.99	(0.23)	(804.01)	(0.23)
Add / Less:				
Add: As per last year account	(0.23)	-	(0.23)	-
Less: Depreciation adjusted to Retained Earnings	13.84	-	69.98	-
Less: Loss on acquisition of Subsidiaries (Net)	-	-	2,942.06	-
Add: Debenture Redemption Reserve written back	-	-	-	-
Amount available for Appropriation	1,217.92	(0.23)	(3,816.28)	(0.23)
Less: Transferred to General Reserve	-	-	-	-
Less: Being deficit, Set off from General Reserve	-	-	-	-
Net surplus/(deficit) in statement of Profit & Loss	1,217.92	(0.23)	(3,816.28)	(0.23)

The above financial results of the Company for the year ended 31st March, 2015 are not comparable with the financial results for the year ended 31st March, 2014 as the financial results for FY 2014-15 have been reopened and revised to give effect to the terms of Section I and II of the Composite Scheme of Arrangement ("Scheme") amongst the Company and Jindal Stainless Limited, Jindal United Steel Limited and Jindal Coke Limited and their respective shareholders and

creditors which was approved by the Hon'ble High Court of Punjab and Haryana at Chandigarh vide its order dated 21st September, 2015 (as modified on 12th October, 2015). The certified true copy of the said order was filed with the office of Registrar of Companies on 1st November, 2015 and accordingly, Section I and II of the Scheme have become operative with effect from the Appointed Date 1 i.e. close of business hours before midnight of 31st March, 2014.

During the year, the net Revenue from operations of your Company on standalone basis stood at ₹ 740,143.76 lacs. The Profit before other income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortisation on standalone basis stood at ₹ 71,288.80 lacs.

The financial results of the Company during the year 2014-15 remained under stress on account of various factors viz. subdued economic environment, increase in imports (especially cheaper imports from China), increasing raw material prices, unfavorable duty structure and adverse foreign exchange fluctuation.

### Operations

As per the terms of the Scheme, the Ferro Alloys Division of Jindal Stainless Limited ("JSL") comprising of Ferro Alloy manufacturing facility located at Jindal Nagar, Kothavalasa, Distt. Vizianagaram, Andhra Pradesh and the Mining Division comprising of Chromite Mines have been demerged and vested with the Company. Further, the business undertaking relating to Hisar Unit of JSL has been transferred to the Company on slump sale basis. Consequent upon the filing of the Court Order with the office of the ROC, this part i.e. Section I and II of the Scheme has become effective with effect from the Appointed Date i.e. close of business hours before midnight of 31st March, 2014.

The stainless steel industry is going through a challenging phase on account of economic uncertainties and unfavourable business environment in India and dumping of material by China. Despite these adversities, the Hisar Unit has been able to sustain its performance and successfully dispatched 6,66,676 MT stainless steel products during the current financial year.

The Hisar Unit focussed on value added products during the financial year and achieved highest ever dispatches of 2,66,212 MT of cold rolled annealed pickled products. Special Products Division also performed well during the year and dispatched 23,512 MT which is approximately 11% higher than the previous financial year.

Further, the Hisar Unit continued its journey towards manufacturing excellence through cost reduction and quality improvements. The Company has been successfully imparting culture of excellence at all levels. The Company workforce participated in various national level initiatives and secured par excellence and excellence in "National Chapter convention on Quality Concepts". Your Company has been accredited **NABL certification** for Chemical labs. The Company has also been awarded with IIM National sustainability award this year.

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 Sukhinda Chromite Mines and transfers the output to the Hisar Plant. The division has achieved 71% of the installed capacity by producing 28,587 Tons of High Carbon Ferro Chrome during the year 2014-15 as compared to 30,648 Tons during the preceding year. The Production was less during the year 2014-15 due to Non availability of Power for 25 days on being effected by Hud-Hud Cyclone on 12th October, 2014.

Further, Vizag Unit dispatched 28,646 tons during the year 2014-15 as compared to 28,137 tons during the preceding financial year.

Jindal Chromite Mine produced 24,628 MT of chromite ore concentrate from its beneficiation plant and also achieved 69,298 MT chromite ore from Mines pit during the current year. The mines dispatched 23,696 MT of concentrate ore and 43,079 MT chrome ore to Vizag plant during the year.

### Composite Scheme of Arrangement

The Board of Directors of the Company in their meeting held on 29th December, 2014 approved a Composite Scheme of Arrangement amongst the Company, Jindal Stainless Limited (JSL), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) and their respective Shareholders and Creditors. The Scheme, inter-alia, provided for demerger of Ferro Alloys Division and Mining Division of Jindal Stainless Limited into the Company and slump-sale of stainless steel manufacturing facility by JSL to the Company. The Scheme also provided that the Company, as a consideration of demerger, shall issue and allot one fully paid up equity share having face value of ₹ 2/- each to the shareholders of JSL for every one share held by them in JSL. Further, as a consideration for slump-sale the Company shall make total payment of ₹ 2,809.79 Crores to JSL (₹ 2,600 Crores to be paid in cash and balance ₹ 209.79 Crore to be adjusted out of the amount due and payable by JSL to the Company as on Appointed Date 1).

The above Scheme was filed with the Hon'ble High Court of Punjab and Haryana at Chandigarh on 27th March, 2015 and the High Court vide its order dated 31st March, 2015 dispensed with the requirement of convening the meetings of the Shareholders and Creditors of the Company. However, the Court ordered for convening the meetings on 16th May, 2015 of the Shareholders, Secured Creditors and Unsecured Creditors of JSL. Accordingly, the second motion application was filed with the Hon'ble High Court on 20th May, 2015.

The Hon'ble High Court of Punjab and Haryana at Chandigarh, vide its order dated 21st September, 2015 (as modified on 12th October, 2015), has approved the 'Composite Scheme of Arrangement' (Scheme) among Jindal Stainless Limited (JSL), Jindal Stainless (Hisar) Limited (JSHL), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) and their respective shareholders and creditors. Certified true copy of the said Order was received on 20th October, 2015 and was filed on 1st November, 2015, with the office of Registrar of Companies, NCT of Delhi and Haryana.

As per the terms of the Scheme, upon filing of the aforesaid Order with the Office of the Registrar of Companies, NCT of Delhi and Haryana, Section I and II of the Scheme (pertaining to transfer of Demerged Undertakings comprised of Ferro Alloys Manufacturing facility at Kothavalasa, Distt. Vizianagaram, Andhra Pradesh and Chromite Mines and Business Undertaking 1 comprised of manufacturing facility at Hisar from JSL to the Company) have become operative from the appointed date 1 i.e. close of business hours before midnight of 31st March, 2014.

### Issue and Allotment of Equity Share to the Shareholders of JSL

As envisaged in the Scheme, the Board of Directors of the Company have in their meeting held on 6th November, 2015 decided to fix, 21st November, 2015 as the Record Date for determining the names

of the Shareholders of JSL who shall be entitled for issue and allotment of one Equity Share of Rs. 2/- each for every 1 (one) equity share held by them in JSL. Post allotment of shares, necessary formalities for listing of these shares shall be initiated and the same is expected to be completed by January, 2016.

#### **Payment of consideration for slump sale to JSL**

As stated hereinabove, as a part of the Scheme, the Company is required to make payment of ₹ 2,600 Crores to JSL as part payment of consideration for slump-sale of manufacturing facility at Hisar to the Company. The Company has already initiated discussions with various Banks / Financial Institutions for availing term loans / credit facilities and the said funds will be utilized for payment of the said consideration.

An amount of ₹ 575.98 Crores was due and payable by JSL to the Company as on the Appointed Date 1, out of which ₹ 209.79 Crores will be adjusted out of the total consideration of ₹ 2,809.79 Crores payable by the Company to JSL for slump-sale and balance ₹ 366.19 Crores are proposed to be converted into Equity Shares of JSL, as per the terms of the Scheme.

#### **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 financial year ended 31st March, 2015.

#### **Transfer to Reserves**

The Board, considering the Company's performance and financial position for the year under review, has not proposed to transfer any amount to reserves.

#### **Share Capital**

As on 1st April, 2014, the paid up share capital of the Company was ₹1,00,000/- divided into 10,000 equity shares of ₹10/- each.

On 3rd December, 2014, 40,000 equity shares of ₹10/- were allotted to the then existing shareholders on rights basis and on 5th December, 2014, the equity shares of the Company were sub-divided from the face value of ₹10/- per share to ₹2/- per share. As on 31st March, 2015, paid up share capital of the Company was ₹5,00,000 divided into 2,50,000 equity shares of ₹2/- each. In terms of the Scheme, the said capital of ₹ 5,00,000/- has been deemed to have been extinguished and cancelled.

Pursuant to the Scheme, 23,11,85,445 equity shares of ₹ 2/- each would be allotted to the equity shareholders of Jindal Stainless Limited. Pending allotment, an amount of ₹ 46.24 Crores has been shown under "Share Capital Suspense Account" in the Books of Accounts of the Company as on 31st March, 2015.

Consequent upon allotment, the paid up share capital of the Company shall stand at ₹46,23,70,890 divided into 23,11,85,445 equity shares of ₹2/- each.

#### **Management Discussion and Analysis Report**

Management Discussion and Analysis Report as required under the listing agreement with the stock exchanges forms part of this Annual Report.

#### **Employees Stock Option Scheme**

Pursuant to the Scheme, the stock options granted by Jindal Stainless Limited ("JSL") under the ESOP Scheme to employees engaged in the Demerged Undertaking and Business Undertaking 1 who have been transferred as part of the Scheme to the Company, which have been granted and vested but have not been exercised as on the Record Date, such options shall continue to vest in the employees of the Demerged Undertaking and Business Undertaking 1 transferred to the Company. Upon exercise of the aforesaid options by the said employees from time to time in accordance with the ESOP Scheme, JSL shall continue to honour its obligations under the ESOP Scheme with respect to such employees in accordance with the provisions of the ESOP Scheme and shall issue and allot fully paid-up equity shares of JSL in respect of such exercised options in accordance with the ESOP Scheme. The Company shall have no obligation to issue any stock options or shares to such employees of the Demerged Undertaking and Business Undertaking 1 in lieu of the stock options granted by JSL under the ESOP Scheme.

Since the Company has not issued any stock options, the requirement of disclosure under Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 is not applicable to the Company.

#### **Information Technology**

During the year, the Company's IT and SAP department has further enhanced the SAP ECC 6.0 System and incorporated various 'checks and balances' for better control on business functions. Implementation of Digital Signatures in Mill Test Certificates, Workflow in procurement, Development of in-house 'Material Master Data Management tool', Simplification / automation of Yard receipt process are a few new initiatives planned and delivered in the current year. This integrated SAP Business Support mechanism is assisting management in making informed decisions through MIS, which is aligned towards achieving goals and through real-time transactions processing. The SAP and IT team will play a critical role in enabling the Company's Restructuring exercise by re-aligning the current SAP Landscape. The IT team has also been successful in providing secure and non-disruptive IT (Hardware, Network, Software etc.) services to the Company throughout the year.

#### **Consolidated Financial Statements**

In accordance with the Companies Act, 2013 and Accounting Standard (AS) – 21 on Consolidated Financial Statements read with AS-23 on Accounting for investments in Associates and AS-27 on Financial Reporting of interests in Joint Ventures, the Audited Consolidated Financial Statements are provided in the Annual Report.

#### **Subsidiary Companies / Joint Ventures / Associate Companies**

As per the terms of the Scheme, six domestic subsidiary companies of JSL have been transferred to the Company through slump sale. Consequent thereto, as on 31st March, 2015, the Company has the aforementioned six direct and step down subsidiaries, namely (i) JSL Lifestyle Limited, (ii) Jindal Stainless Steelway Limited, (iii) JSL Architecture Limited, (iv) Green Delhi BQS Limited, (v) JSL Media Limited and (vi) JSL Logistics Limited.



The Company does not have any joint venture or associate company. 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.

A statement containing the salient features of the financial statement of the subsidiaries and associate companies in the prescribed Form AOC - 1 is attached along with financial statements. The statement also provides the details of performance, financial position of each of the subsidiaries companies. The Policy for determining material subsidiaries as approved can be accessed on the Company's website at the link:

<http://jshlstainless.com/pdf/Policy%20for%20determining%20material%20subsidiaries-JSHL.pdf>

#### Directors & Key Managerial Personnel

The Board of Directors has appointed Mr. Ratan Jindal, Mr. Abhyuday Jindal and Mr. Ashok Kumar Gupta, as Additional Directors in the capacity of Chairman, Vice Chairman and Whole Time Director respectively w.e.f. 2nd November, 2015. The Board has also appointed Mr. T.S. Bhattacharya, Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) and Ms. Ishani Chattopadhyay as Additional Directors w.e.f. 2nd November, 2015.

The requisite resolutions for the appointments of the aforesaid Directors will be placed before the shareholders for their approval.

The Board of Directors has also appointed Mr. Ankur Agrawal as the Chief Financial Officer and Mr. Bhartendu Harit as the Company Secretary and Compliance Officer respectively. The Board has also designated Mr. Ashok Kumar Gupta, Mr. Ankur Agrawal and Mr. Bhartendu Harit as the Key Managerial Personnel (KMPs) of the Company.

Mr. Shailesh Goyal resigned from the Board of Directors of the Company w.e.f. 15th December, 2014. Mr. Rajinder Parkash Jindal, Mr. Mahabir Parshad Swami, Directors, who were appointed as Additional Directors w.e.f. 3rd December, 2014 resigned from the Board of Directors of the Company w.e.f. 6th November, 2015 and Mr. Mahender Kumar Goel, Director has tendered his resignation from the Board of Directors of the Company w.e.f. 20th November, 2015. The Board places on record its sincere appreciation for the valuable contributions made by them during their tenure.

Since all the Directors will be appointed in the ensuing Annual General Meeting (AGM) of the Company, there is no Director who will retire by rotation in the ensuing AGM.

Brief résumés 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.

All Independent Directors have given declaration to the Company that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

The Company has also devised a Policy on Familiarization Programme for Independent Directors which aims to familiarize the Independent Directors with the Company, nature of the industry in

which the Company operates, business operations of the Company etc. The said Policy can be accessed on the Company's website at the link:

<http://jshlstainless.com/pdf/Policy%20on%20familiarisation%20programme%20for%20independent%20directors-%20JSHL.pdf>

#### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors has approved the criteria for performance evaluation of all Directors, the Committees of Directors and the Board as a whole, on the recommendation of the Nomination and Remuneration Committee of the Company. Performance evaluation of the Board, each Director and the Committees will be carried out for the financial year ending 31st March, 2016. The evaluation of the Directors will be based on various aspects, inter-alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

#### Policy on Directors' Appointment and Remuneration Policy

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors has approved the (i) Policies for nomination and selection of Independent Directors and Non-Executive Non-Independent Directors and (ii) Remuneration Policy on the Recommendation of the Nomination and Remuneration Committee of the Company. The aforesaid policies are attached to this Report at *Annexure – 'I (A)'* and *Annexure – 'I(B)'* respectively.

#### Fixed Deposits

The Company has not accepted any deposit from the public. Hence, no information is required to be appended to this report.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as *Annexure – 'II'* forming part of this Report.

#### Particulars of Employees

As per the terms of Section I and II of the Composite Scheme of Arrangement approved by the Hon'ble High Court of Punjab and Haryana at Chandigarh vide its order dated 21st September, 2015 (as modified on 12th October, 2015), business undertaking relating to Hisar Unit of Jindal Stainless Limited has been transferred to Jindal Stainless (Hisar) Limited on slump sale basis and Ferro Alloys Division of Jindal Stainless Limited comprising of Ferro Alloy manufacturing facility located at Jindal Nagar, Kothavalasa, Distt. Vizianagaram, Andhra Pradesh and the Mining Division comprising of Chromite Mines have been demerged and vested with the Company. The certified true copy of the said order was filed with the office of Registrar of Companies on 1st November, 2015. Consequent upon the filing of the Court order with the office of the ROC, this part i.e. Section I and II of the Scheme has become effective.

In view of the above, since the Company has become operational during current financial year, particulars of the employees in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2015 are not applicable.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not required, since the Company is an unlisted company. As required under Rule 5(1)(vii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Net Worth of the Company as on 31st March, 2014 and 31st March, 2015 was ₹ 0.77 lac and ₹ 58,543.07 lacs respectively.

#### Auditors and Auditors' Report

M/s. N.C. Aggarwal & Co., Chartered Accountants, were appointed as statutory auditors of the Company by the shareholders at the Extraordinary General Meeting of Shareholders of the Company held on 29th October, 2014 to fill the casual vacancy caused by resignation of M/s. Sandeep Khurana & Associates., Chartered Accountants, Hisar. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

M/s. Lodha & Co. and M/s. S.S. Kothari Mehta & Co., Chartered Accountants, are proposed to be appointed as Joint Statutory Auditors of the Company. Pursuant to the provisions of Section 139 of the Companies Act, 2013, the matter relating to the appointment of the aforesaid Joint Statutory Auditors shall be placed for approval by the members at the ensuing Annual General Meeting of the Company.

#### Cost Auditors

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 as amended vide Companies (Cost Records and Audit) Amendment Rules, 2014 vide notification dated 31st December, 2014, your Company is required to get its cost accounting records audited by a Cost Auditor and has accordingly appointed M/s Kabra & Associates, Cost Accountants, for this purpose for FY 2015-16.

The Board of Directors at its meeting held on 27th September, 2015 has appointed M/s Kabra & Associates, Cost Accountants for conducting the audit of cost audit records in respect of Steel business of the Company for the financial year 2015-16. The said appointment is subject to ratification by the members in terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

#### Secretarial Auditors

The Board of Directors would appoint Secretarial Auditor to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ending 31st March, 2016 would be annexed with the Directors Report of the year ending 31st March, 2016.

#### Corporate Social Responsibility

The Board of Directors of the Company have in their meeting held on 2nd November, 2015 constituted the Corporate Social Responsibility Committee of Directors. The Disclosure requirement as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable for the year 2014-15.

The CSR Policy, after approval by the Board of Directors would be uploaded on the Company's website.

#### Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

#### Audit Committee

The Audit Committee comprises of the following four Directors out of which three are Independent Directors:

Sl. No.	Name	Status
1	Mr. T.S. Bhattacharya	Chairman
2	Mr. Kanwaljit Singh Thind	Member
3	Ms. Ishani Chattopadhyay	Member
4	Mr. Ashok Kumar Gupta	Member

The above Committee was constituted on 3rd April, 2015, hence no meetings were of the Committee were held during the financial year 2014-15.

#### CSR Committee

The CSR Committee comprises of the following three Directors out of which one is Independent Director:

Sl. No.	Name	Status
1	Mr. Abhyuday Jindal	Chairman
2	Mr. Ashok Kumar Gupta	Member
3	Mr. Kanwaljit Singh Thind	Member

#### Stock Exchanges where the shares are proposed to be listed

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 Ltd. Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400 001
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The Company is in the process of getting its shares listed on BSE and NSE.

#### Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as *Annexure – III'*.

#### Number of Board Meetings

The Board of Directors met 18 (eighteen) times during the financial year ended on 31st March, 2015. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report forming part of this Annual Report.

#### Whistle Blower Policy / Vigil Mechanism

Pursuant to the provisions of Section 177(9) read with Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has a Vigil Mechanism namely, Whistle Blower Policy for directors, employees and business partners to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy can be accessed on the Company's website at the link:

<http://jshl.com/pdf/Whistle%20Blower%20Policy-JSHL.pdf>

#### **Particulars of loans, guarantees or investments by the Company under section 186**

The particulars of loans, guarantees or investments by the Company under section 186 are stated in Notes to Accounts, forming part of this Annual Report.

#### **Contracts or Arrangements with Related Parties**

The Company has entered into contracts / arrangements with the related parties in the ordinary course of business and on arm's length basis.

Your Directors draw attention of the members to Note 42 to the financial statement which sets out related party disclosures. Based on the recommendations of the Audit Committee, your Board of Directors had approved the Policy on Related Party Transactions in accordance with Clause 49 of the Listing Agreement and as per the provisions of the Companies Act, 2013. The Policy on materiality of related party transactions and dealing with related party transactions after approval by the Board would be uploaded on the website of the company.

In terms of Clause 49 of the Listing Agreement, all transactions with related parties, which are of material in nature, are subject to the approval of the Members of the Company. The requisite resolution in order to comply with the aforesaid requirements of Clause 49 of the Listing Agreement, as detailed at Item No. 11 of the Notice and relevant Explanatory Statement is commended for the members' approval.

#### **Risk Management**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework. The Company has also devised a Risk Management Policy for identification of elements of risks and procedures for reporting the same to the Board.

#### **The change in the nature of business, if any**

The Company was originally incorporated as KS Infra Tower and Landmark Private Limited on 30th July, 2013 under the Companies Act, 1956 with the Registrar of Companies, NCT Delhi & Haryana. Name of the Company was changed to Jindal Stainless (Hisar) Private Limited and fresh Certificate of Incorporation was issued by the Registrar of Companies, NCT Delhi & Haryana dated 28th August, 2014. The Company was converted into Public Limited Company on 26th December, 2014 and its name was changed to Jindal Stainless (Hisar) Limited. During the year, the main objects of the Company were changed with approval of the Shareholders at the Extraordinary General Meeting held on 21st July, 2014.

#### **Material Changes and Commitments, if any, affecting the financial position of the Company**

During the half year ended 30th September, 2015, the Company has achieved total income of ₹3,445.82 Crores with EBIDTA of ₹ 416 Crores. The Company has earned net profit of ₹ 4.04 Crores during this period.

#### **Any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

During the financial year there is no such significant material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

#### **Directors' Responsibility Statement**

Pursuant to the requirement under section 134(5) of the Companies Act, 2013 with respect to directors' responsibility statement, it is hereby confirmed that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had 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, 2015 and of the profit and loss of the Company for the year ended on that date;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Corporate Governance**

A separate section on Corporate Governance forms part of this Annual 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

Place : New Delhi  
Date : 6th November, 2015

**Ratan Jindal**  
Chairman

## Annexure – I (A) to the Directors Report

### Policy Framework for Nomination and Selection of Independent Directors on the Board of the Company

This document presents the policy for selection of Independent Directors on the Board of Jindal Stainless (Hisar) Limited. The policy contains detailed requirements under the Companies Act, 2013 and Clause 49 of the Listing Agreement. This policy serves as conformation to Section 178(3) of the Companies Act, 2013 and other applicable provisions under the Listing Agreement.

#### Section 1: Qualitative Guidelines

While detailed requirements from a regulatory standpoint are outlined in the latter part of the policy, the following qualifications, positive attributes and other qualities shall form the basis of this selection policy for Independent Directors:

- 1) The director should :
  - i. possesses appropriate skills and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, or other disciplines related to the company's business through formal education and/or relevant experience.
  - ii. have a sound record of success in his/her own profession.
  - iii. be able to understand the vision & mission, socio-political environment of the company and see business as a whole including company's market, Customers and competitions.
  - iv. meet the all criteria of independence as prescribed under various laws and regulations.
  - v. maintain independent judgment at all times about various issues that are brought for Board and /or Committee deliberations, engage in value adding dialogues on substantive issues and also with respect to the management.
  - vi. be able to participate constructively in reaching concurrence on strategy and evaluation of top management.
  - vii. be able to ensure appropriate control in audit and performance, including strategy execution.
  - viii. be able to bring up any potential conflict of interest, real or perceived.
  - ix. take initiative to counsel other directors and the CEO as appropriate in and outside the Board/Committee meetings
  - x. have required time at hand to study the issues and provide independent and constructive opinions, help

make Board dynamics positive and effective, help the Board and the management confront reality, be able to see through complex issues and ask incisive questions, be a team player, be of high integrity and maintain high ethical standards.

#### Section 2: Regulatory Guidelines

This policy framework provides the regulatory guidelines for the selection of Independent directors on the Board of the Company based on the conditions laid out in the Companies Act, 2013 (specifically Chapter XI – Appointment and Qualification of Directors, Section 178(2), Section 178(3) of the Act), Companies (Appointment and Qualifications of Directors) Rules, 2014 and Clause 49 of the Listing Agreement issued by the Securities and Exchange Board of India (SEBI). As per this policy framework:

- I. **Composition of the Board:** Appointment of a director on the Board of Jindal Stainless (Hisar) Limited (JSHL) shall be within the permissible limits provided under Section 149 of The Companies Act, 2013 and Clause 49 of the Listing Agreement read with Articles of Association of the Company. JSHL Board shall constitute minimum 3 directors and maximum 15 directors. Any appointment of director on the Board which makes the total number of directors on the Board exceed 15 directors shall be done only after passing a special resolution. The Companies Act, 2015 mandates that the Board of JSHL shall have at least one woman director on the Board of the Company. In the event of any intermittent vacancy of a woman director, the same shall be filled in by the Board before the next Board meeting or within 3 months from the date of vacancy whichever is later.
- II. The Company's Board at any point in time shall have at least one resident director who has stayed in India for a total period of not less than 182 days in the previous calendar year.
- III. The JSHL Board shall have minimum one-half of the total number of directors on the Board as independent directors if the company has an Executive Chairman or a Non-Executive Chairman who is promoter of the company or is related to any promoter or person occupying management positions at the Board level or at one level below the Board. In any other case whereby the company has a Non-Executive Chairman, the Board shall have at least one-third of the total number of directors in the Board as independent directors. In the event of any intermittent vacancy of an independent director, the same shall be filled in by the Board before the next Board meeting or 3 months from the date of vacancy whichever is later. An independent director shall mean a director other than the managing director, whole-time director or a nominee director and;



- a) Who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience.
  - b) Who is or was not a promoter of the company or its holding, subsidiary or associate company and who is not related to promoters or directors in the company, its holding, subsidiary or associate company.
  - c) Apart from receiving director's remuneration has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors during the two immediately preceding financial years or during the current financial year.
  - d) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company or their promoters or directors, amounting to 2% or more of its gross turnover or total income or INR 50 lakh or such higher amount as prescribed by the Act, whichever is lower, during the two immediately preceding financial years or during the current financial year.
  - e) Who, neither himself or any of his relatives –
    - i. Holds or has held the position of key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed.
    - ii. Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed of –
      - 1. A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
      - 2. Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of the Company.
    - iii. Holds together with his relatives 2% or more of the total voting power of the company; or
    - iv. Is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company
    - v. Is a material supplier, service provider or customer or a lessor or lessee of the company
  - f) Who possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing administration, research, corporate governance, technical operations, or other disciplines related to the company's business.
  - g) Who is not less than 21 years of age.
- IV. Every independent director shall at the first meeting of the Board in which he or she participates as a director and thereafter in first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his/her status as an independent director, give a declaration that he meets the criteria of independence as provided in point # III above.
- V. Every independent director selected in the Board of JSHL shall adhere to the following guidelines of professional conduct. An independent director shall:
- a) Uphold ethical standards of integrity and probity.
  - b) Act objectively and constructively while exercising his duties.
  - c) Exercise his responsibilities in a *bona fide* manner in the interest of the company.
  - d) Devote sufficient time and attention to his professional obligations for informed and balanced decision making.
  - e) Not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
  - f) Not abuse his/her position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
  - g) Refrain from any action that would lead to loss of his/her independence.
  - h) Where circumstances arise which make an independent director lose his/her independence, the independent director must immediately inform the Board accordingly.
  - i) Assist the company in implementing the best corporate governance practices.
- VI. Every independent director shall perform the following Roles and functions. An independent director shall:
- a) Help in bringing an independent judgment to bear on the Board deliberations especially on issues of strategy, performance, risk management, resources, and standards of conduct.
  - b) Bring an objective view in the evaluation of performance of the Board and management.

- c) Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
  - d) Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
  - e) Safeguard the interest of all stakeholders, particularly the minority shareholders
  - f) Balance the conflicting interest of stakeholders
  - g) Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interests.
- VII. Every independent director shall have the following duties. An independent director shall:
- a) Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company.
  - b) Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company.
  - c) Strive to attend all meetings of the Board of Directors and of the Board committees of which he/she is a member and also the general meetings of the company.
  - d) Participate constructively and actively in the committees of the Board in which they are chairpersons or members.
  - e) Where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board.
  - f) Keep themselves well informed about the company and the external environment in which it operates
  - g) Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board
  - h) Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company
  - i) Ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use
  - j) Report concerns about unethical behavior, actual or suspected fraud or violation of the company's code or conduct of ethics policy
  - k) Acting within his/her authority, assist in protecting the legitimate interests of the company, shareholders and its employees
- l) Not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.
- VIII. Appointment procedure for Independent Directors:
- a) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively.
  - b) An independent director may be selected from a data bank containing names, address and qualifications of persons who are eligible and willing to act as independent directors, maintained by any body, institute or association, as may be notified by the Central Government, having expertise in creation and maintenance of such data bank and out on their website for the use by the company making the appointment of such directors. However, the company shall take responsibility to exercise its own due diligence before selecting a person from the data bank as an independent director.
  - c) The appointment of independent director shall be approved by the company in general meeting and the explanatory statement annexed to the notice of the general meeting called to consider the said appointment shall indicate the justification for choosing the appointee for appointment as independent director
  - d) No person shall be appointed as a director of a company unless he has been allotted the Director Identification Number (DIN) under Section 154 of the Companies Act, 2013.
  - e) Every person proposed to be appointed as a director by the company in general meeting or otherwise, shall furnish his DIN and a declaration that he/she is not disqualified to become a director under Companies Act, 2013.
  - f) A person appointed as a director shall not act as a director unless he gives his consent to hold the office as director and such consent has been filed with the Registrar of Companies within 30 days of his/her in such manner as prescribed in the Companies Act, 2013
  - g) In the case of appointment of independent director in the general meeting, an explanatory statement for such appointment, annexed to the notice of the general meeting, shall include a statement that in the opinion of the Board, he or she fulfils the conditions specified in the Companies Act, 2013 for such appointment

- h) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out:
    - i. The term of appointment
    - ii. The expectation of the Board from the appointed director; the Board level committee(s) in which the director is expected to serve and its tasks
    - iii. The fiduciary duties that come with such an appointment and along with accompanying liabilities
    - iv. Provision for Directors and Officers (D&O) insurance, if any
    - v. The code of business ethics that the company expects its directors and employees to follow.
    - vi. List of actions that a director should not do while functioning as such in the company.
    - vii. The remuneration mentioning periodic fees, reimbursement of expenses for participation in the Board's and other meetings and profit related commissions, if any. An independent director shall not be eligible for any stock options.
  - i) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during the normal business hours.
  - j) The terms and conditions of appointment of independent directors shall also be posted on the company's website.
- IX. An independent director shall hold office for a term up to 5 years on the Board of the company, but shall be eligible for re-appointment on passing of a special resolution by the company and disclosures of such appointment in the Board's report. However, no independent director shall hold the office for more than 2 consecutive terms, but such independent director shall be eligible for appointment after the expiration of 3 years of ceasing to become an independent director. An independent director shall not, during the said period of 3 years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.
  - X. As per this policy and provisions of the Companies Act, 2013, no director shall be selected if he/she holds office as a director, including any alternate directorship, in 20 or more companies at the same time and number of directorships held in public companies is 10. For the limit on public companies, directorship in private companies that are either holding or subsidiary company of a public company shall be considered. Further, as per the Clause 49 of the listing agreement, a person shall not be selected on the JSHL Board if he or she is serving as independent director in seven listed companies and if the said person is whole time director in any listed company and is serving as an independent director in 3 companies.
  - XI. No person shall be selected as director
    - (i) if he or she is disqualified to be a director as per Section 164 of the Companies Act, 2013;
    - (ii) if he or she is declared as proclaimed offender by any Economic Offence Court or Judicial Magistrate Court or High Court or any other Court.
  - XII. The removal of a director shall be as per the provisions of Section 169 of the Companies Act, 2013

**Policy Framework for Nomination and Selection of Non-Executive, Non-Independent Directors on the Board of the Company**

This document presents the policy for selection of Non-Executive Non-Independent Directors on the Board of Jindal Stainless (Hisar) Limited. The policy contains detailed requirements under the Companies Act, 2013 and Clause 49 of the Listing Agreement which is applicable to listed companies in India. This policy serves as conformation to Section 178(3) of the Companies Act, 2013.

**Section 1: Qualitative Guidelines**

While detailed requirements from a regulatory standpoint are outlined in the latter part of the policy, the following qualifications, positive attributes and other qualities shall form the basis of this selection policy for Non-Executive Non-Independent Directors:

- 1) The director should possess appropriate skills and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, or other disciplines related to the company's business through formal education and/or relevant experience
- 2) Should be able to understand the vision & mission of the company and see business as a whole
- 3) Should be able to understand company's market, customers and competition
- 4) Should be able to understand the socio-political environment of the business

- 5) Should be able to engage in value adding dialogues on substantive issues
- 6) Should be able to participate constructively in reaching concurrence on strategy and evaluation of top management
- 7) Should be able to ensure appropriate control in audit and performance, including strategy execution
- 8) Should be able to bring up any potential conflict of interest, real or perceived
- 9) Should take initiative to counsel other directors and the CEO as appropriate in and outside the Board/Committee meetings
- 10) Should have required time at hand to study the issues and provide constructive opinions
- 11) Help make Board dynamics positive and effective
- 12) Should help the Board and the management confront reality
- 13) Should be able to see through complex issues and ask incisive questions
- 14) Should be a team player
- 15) Should be of high integrity and maintain high ethical standards

#### Section 2: Regulatory Guidelines

This policy framework provides the regulatory guidelines for the selection of Non-Executive Non-Independent directors on the Board of the Company based on the conditions laid out in the Companies Act – 2013 (specifically Chapter XI – Appointment and Qualification of Directors, Section 178(2), Section 178(3) of the Act), Companies (Appointment and Qualifications of Directors) Rules, 2014 and Clause 49 of the listing agreement issued by the Securities and Exchange Board of India (SEBI). As per this policy framework:

- I. **Composition of the Board:** The selection of director on the Board of Jindal Stainless (Hisar) Limited (JSHL) shall be within the structural guidelines provided under Section 149 of The Companies Act – 2013 and Clause 49 of the listing agreement. JSHL Board shall constitute minimum 3 directors and maximum 15 directors. Any appointment of director on the Board which makes the total number of directors on the Board exceed 15 directors shall be done only after passing a special resolution.

This policy also mandates that the JSHL Board shall have at least one woman director on the Board of the Company and not less than 50% of the Board of Directors shall comprise of Non-Executive directors. In the event of any intermittent vacancy of a woman director, the same shall be filled in by the Board before the next Board meeting or 3 months from the date of vacancy whichever is later

- II. The Company's Board at any point in time shall have at least one director who has stayed in India for a total period of not less than 182 days in the previous calendar year
- III. The JSHL Board shall have minimum one-half of the total number of directors on the Board as independent directors if the company has an Executive Chairman or a Non-Executive Chairman who is promoter of the company or is related to any promoter or person occupying management positions at the Board level or at one level below the Board. In any other case whereby the company has a Non-Executive Chairman, the Board shall have at least one-third of the total number of directors in the Board as independent directors.
- IV. As per this policy and provisions of the Companies Act – 2013, no director shall be selected if he/she holds office as a director, including any alternate directorship, in 20 or more companies at the same time and number of directorships held in public companies is 10. For the limit on public companies, directorship in private companies that are either holding or subsidiary company of a public company shall be considered. Further, as per the Clause 49 of the listing agreement, a person shall not be selected on the JSHL Board if he or she is serving as independent director in seven listed companies and if the said person is whole time director in any listed company and is serving as an independent director in 3 companies.
- V. Non-executive Non-Independent directors should have Director Identification Number (DIN).
- VI. No person shall be selected as director if he or she is disqualified to be a director as per Section 164 of the Companies Act, 2013.
- VII. The removal of a director shall be as per the provisions of Section, 169 of the Companies Act, 2013.

## Annexure – I(B) to the Directors Report

## Remuneration Policy

## 1.0 Introduction

- 1.1 Remuneration at Jindal Stainless (Hisar) Limited ("the Company") is based on the principles of performance, equitableness and competitiveness. This Remuneration Policy has been designed to reflect these principles and to attract, motivate and retain quality manpower for driving the Company successfully.
- 1.2 This Remuneration Policy is based on the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and has been recommended by the Nomination and Remuneration Committee to the Board of Directors and approved by the Board of Directors of the Company at its meeting held on 2nd November, 2015.
- 1.3 This Remuneration Policy applies to the Board of Directors, Key Management Personnel (KMPs) and Senior Management Personnel of the Company.
- 1.4 This Remuneration Policy shall be effective from 2nd November, 2015.

## 2.0 Objectives

- 2.1 The objectives of this Remuneration Policy are:
- Formulation of the criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors;
  - Aligning the remuneration of Directors, KMPs and Senior Management Personnel with the Company's financial position, remuneration paid by its industry peers etc.;
  - Performance evaluation of the Board, its Committees and Directors including Independent Directors;
  - Ensuring Board diversity;
  - Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down.
  - Directors' induction and continued training;

## 3.0 Definitions

- 3.1 "Act" means the Companies Act, 2013.
- 3.2 "Board" means Board of Directors of the Company.
- 3.3 "Director" means Director as defined under Section 2(34) of the Companies Act, 2013.
- 3.4 "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time in accordance with the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement.
- 3.5 "Company" means Jindal Stainless (Hisar) Limited (JSHL).
- 3.6 "Independent Director" means a director referred to in Section 149(6) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement.
- 3.7 "Key Managerial Personnel", means :
- the Chief Executive Officer or the Managing Director or the Manager;
  - the Company Secretary;
  - the Whole-Time Director;
  - the Chief Financial Officer; and
  - such other officer as may be prescribed under the Companies Act, 2013.
- 3.8 "Senior Management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

## 4.0 Guiding Principles

- 4.1 The Company shall follow the following guiding principles in order to attract, motivate and retain talent in the Company:
- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and



- (c) remuneration to Directors, KMPs and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

## 5.0 General

This Policy is divided in five parts:

Part-A covers criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors.

Part-B covers Induction and Training of Directors.

Part-C covers Performance Evaluation of Board, its Committees and Directors including Independent Directors.

Part-D covers Remuneration of Directors, KMPs and Senior Management Personnel.

Part-E covers Board Diversity.

## 6.0 PART – A

### Criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors

1. The Nomination and Remuneration Committee shall identify and ascertain the integrity, qualifications, expertise and experience of the person for appointment as Director, KMP or Senior Management Personnel and recommend to the Board his / her appointment.
2. A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment as a Director. The Committee has discretion to decide whether qualifications, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position and are in accordance with the provisions of the Act and Clause 49 of the Listing Agreement.
3. The Committee shall ensure that a person proposed to be appointed as an Independent Director satisfies the criteria laid down under the Act read with Clause 49 of the Listing Agreement.
4. The appointment and tenure of Directors, Independent Directors and KMPs shall be in accordance with the provisions of the Act read with Clause 49 of the Listing Agreement.

## 7.0 PART-B

### Induction and Training of Directors

1. On appointment, Directors shall receive a Letter of Appointment setting out in detail, the terms of appointment, duties, roles and responsibilities. Each newly appointed Director will be taken through a formal induction programme.
2. The induction process should be designed to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company etc.
3. It shall be ensured that the Directors are updated as and when required of their roles, responsibilities and liabilities.
4. The Company may organize site visits for Directors from time to time.

## 8.0 PART-C

### Performance Evaluation of Board, its Committees and Directors

The evaluation of the performance of the Board, its Committees and Directors shall be carried out on an annual basis. The performance of the Board and Committees thereof shall be evaluated against their terms of reference. Evaluation of the performance of Directors shall include consideration of their skills, performance and contribution to the Board, Company strategy and Board Committees, their availability and attendance at Board and Committee Meetings.

## 9.0 PART-D

### Remuneration of Directors, KMPs and Senior Management Personnel

1. The remuneration of the Executive Directors, KMPs and Senior Management Personnel should be based on Company's financial position, industrial trends, remuneration paid by peer companies. The remuneration should be reasonable and sufficient to attract retain and motivate the aforesaid persons.
2. Remuneration to Executive Directors shall be paid by way of salary (including fixed pay and variable pay), perquisites and retirement benefits, based on recommendation of the Committee and approval of the Board and Shareholders. The overall managerial remuneration shall be within the ceilings

stipulated under Section 197 read with Schedule V of the Act.

3. The Non-executive directors shall be paid remuneration by way of sitting fee for attending the meetings of the Board and Committees thereof.
4. The KMPs shall be paid remuneration approved by the Board of Directors. The Senior Management Personnel shall be paid remuneration in line with the Company's internal HR policy.
5. Increments in the existing remuneration of Executive Directors and KMPs shall be approved the Committee within the limits prescribed under the Act. Increments in the remuneration of Senior Management Personnel shall be as per Company's HR policy.

## 10.0 PART-E

### Board Diversity

Board appointments will be based on merit and candidates will be considered on the basis of their skills, knowledge, experience and background, gender and other distinguishing qualities, having due regard to the effectiveness of the Board. It will be ensured that the Board possesses a balance of skills appropriate for the requirements of the business of the Company. The Directors

should have a mix of finance, legal, academic and management backgrounds that taken together provide the Company with considerable experience in a range of activities including varied industries, education, government, banking, investment and other professions.

### 11.0 Applicability of the Remuneration Policy

This Remuneration Policy shall apply to all future appointments of Directors, KMPs and Senior Management Personnel.

### 12.0 Amendment

Any modification / amendment in this Remuneration Policy may be carried out by the Board on the recommendation of the Nomination and Remuneration Committee. This policy will be subject to change as per amendment in the Companies Act, 2013, the Listing Agreement, or any other applicable Rules, Regulations and Guidelines.

### 13.0 Dissemination

The key features of this Remuneration Policy shall be published in the Annual Report and uploaded on the website of the Company in accordance with the Companies Act, 2013 and the Clause 49 of the Listing Agreement.

**Annexure – II to Directors Report**
**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT , 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014.**
**CONSERVATION OF ENERGY**
**(a) The steps taken for conservation of energy**

- Use of dual fuel in preheating furnaces to optimize fuel consumption at various grades.
- Optimization of rolling companion in hot /cold rolling mills to reduce energy consumption.
- Optimization of Aux. Equipment mainly motor cooling blowers during mill idle time.
- Joining water circulation of cooling towers to optimize.
- Optimization of Water pump & Hydraulic power packs by controlling with VVVF Drive.
- Optimization of ventilation & DC motors blowers by VVVF drives installation.
- Effective utilisation of steam in Boiler.
- Effective utilization of air.

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

- Modification in water line sizes and lengths to optimize energy uses without hampering operational parameters.
- Alternate fuel lines at pre-heating furnaces to use dual fuel. This has been extended to HRAP line in CRD.

**c) Impact of above measures**

- Reduction in Specific Energy Consumption.

**FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION**
**1) Specific areas in which, the Company carried out Research and Development**
**Ultrasonic testing of plates at sensitivity level of 1.5mm dia. discontinuity:**

- i) To cater the critical requirements for usage in Atomic Energy, Defense, Chemical & Process Industries stringent demands on internal cleanliness and soundness in SS plates is required. The Company has developed process to manufacture Stainless Steel with extra low inclusion levels and also having high level of Ultrasonic soundness. The Company has also come up with sophisticated Automatic & Manual Ultrasonic Testing Systems able to perform UT with 2mm & 1.5mm FBH (Flat Bottom Hole) detection sensitivity and on thickness down upto 6mm . Similar Testing systems have been developed for Long Products as well.
- ii) The Company introduced Electronic Signed Test Certificates for the Products being Exported. This serves as a long standing demand of our Customers from US

and Europe on issues related with clarity and authentication of our Test Certificates. The same is now being extended for other Customers through integration with our SAP system.

**Development of new products to diversify product mix:**
**Following grades were developed during the year:**

- 1) **UNS S32101:** This Grade falls in Lean Duplex Stainless Steel Category. JSL is one of the few Manufacturers in the Globe to have the capability to produce this category of Stainless Steel. The Grade replaces erstwhile 316L for usage for Cu extraction as Electro-plating Plates. The material is being used by one Major Cu producer in India and is expected to find usage with other Cu producers as well owing to its cost-effectiveness against 316L material.
- 2) **High Nitrogen Steel:** The Company has started focusing into new emerging and open Indian Defense Sector. The Company has come up with a ultra-high yield strength of minimum 700MPA. This material will find extensive usage in Armored Plates for Tanks, Vehicles and similar defense equipment.
- 3) **Long products:** The Company has introduced Stainless Steel Long Products in the Market. The Forged as well as Rolled Rounds are now being available from our side. These are available in various Finishes as Rough and Fine Machined, Ground Finished etc. The basic casting of blooms is done at Hisar unit, the rolling/ forging & finishing operations are currently being outsourced at approved vendors. The rounds are being sold to various users in India and in US that includes sophisticated usage in atomic, petrochemical and process industry.

**2) Benefits derived:**

- Increased Foothold in fast Growing Market segments of long products, nuclear & defense in India.
- Enhancing the Company's 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) Limited.

**3) Expenditure on R & D (₹ in Lacs)**

	2014-15	2013-14
a) Capital	Nil	Nil
b) Revenue	157.94	Nil
Total	157.94	Nil
c) Total R&D expenditure as a percentage of turnover	0.02%	Nil

**Foreign Exchange Earnings & Outgo (₹ in Crore)**

Foreign Exchange Earnings	1,247.49
Foreign Exchange Outgo	2,030.35

## Annexure III to Directors Report

## Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on 31st March, 2015

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

**I. REGISTRATION AND OTHER DETAILS:**

(i) CIN	U27205HR2013PLC049963
(ii) Registration Date	30th July, 2013
(iii) Name of the Company	Jindal Stainless (Hisar) Limited
(iv) Category / Sub-category of the Company	Public company limited by shares
(v) Address of the Registered office and contact details	O.P. Jindal Marg, Hisar – 125005, Haryana Tel No.: (01662) 222471-83 Fax No.: (01662) 220499 Email: investorcare.jshl@jindalstainless.com
(vi) Whether listed company Yes / No	No (Proposed to be listed on NSE & BSE)
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	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

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sl. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the company
1.	Steel	2410	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No.	Name and address of the company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Jindal Stainless Steelway Limited	U27109DL2004PLC128146	Subsidiary	81.91	2(87)(ii)
2	JSL Architecture Limited	U74899HR2004PLC035975	Subsidiary	74.89	2(87)(ii)
3	JSL Lifestyle Limited	U74920HR2003PLC035976	Subsidiary	78.47	2(87)(ii)
4	Green Delhi BQS Limited	U45400DL2007PLC164938	Subsidiary	68.22	2(87)(ii)

Sl. No.	Name and address of the company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
5	JSL Media Limited	U70102DL2007PLC170019	Subsidiary	99.94	2(87)(ii)
6	JSL Logistics Limited	U63030DL2008PLC180599	Subsidiary	100.00	2(87)(ii)
7	Jindal Stainless Limited *	L26922HR1980PLC010901	Holding	—	2(46)

\* Composite Scheme of Arrangement ("Scheme") amongst the Jindal Stainless Limited and its wholly owned subsidiaries namely Jindal Stainless (Hisar) Limited, Jindal United Steel Limited and Jindal Coke Limited and their respective shareholders and creditors which was approved by the Hon'ble High Court of Punjab and Haryana at Chandigarh vide its order dated 21st September, 2015 (as modified on 12th October, 2015). The certified true copy of the said order was filed with the office of Registrar of Companies on 1st November, 2015 and accordingly, Section I and II of the Scheme have become operative with effect from the Appointed Date 1 i.e. close of business hours before midnight of 31st March, 2014. Consequently, Jindal Stainless (Hisar) Limited is no longer subsidiary of Jindal Stainless Limited.

#### IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

##### i) Category-wise Share Holding (please refer notes)

Category of Shareholders	No. of Shares held at the beginning of the year – 1st April, 2014 (Face value of ₹ 10/- each)				No. of Shares held at the end of the year – 31st March, 2015 (Face value of ₹ 2/- each)				% Change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares		
<b>A. Promoters</b>										
<b>(1) Indian</b>										
a. Individual / HUF	-	10,000	10,000	100	-	*1500	1500	0.60	(99.40)	-
b. Central Govt.	-	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	-	2,48,500	2,48,500	99.40	99.40	-
e. Banks / FI	-	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	-	10,000	10,000	100	-	2,50,000	2,50,000	100	-	-
<b>(2) Foreign</b>										
a. NRIs – Individuals	-	-	-	-	-	-	-	-	-	-
b. Other – Individuals	-	-	-	-	-	-	-	-	-	-
c. Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d. Banks / FI	-	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	-	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	10,000	10,000	100	-	2,50,000	2,50,000	100	-	-



Category of Shareholders	No. of Shares held at the beginning of the year – 1st April, 2014 (Face value of ₹ 10/- each)				No. of Shares held at the end of the year – 31st March, 2015 (Face value of ₹ 2/- each)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>	-	-	-	-	-	-	-	-	-
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks / FI	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>	-	-	-	-	-	-	-	-	-
a. Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
b. Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(iii) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Public (B) =(B)(1)+(B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Promoter & Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
<b>Grand Total (A)+(B)+(C)</b>	-	10,000	10,000	100	-	2,50,000	2,50,000	100	-

\*Nominees of Jindal Stainless Limited

**Notes:**

1. On 3rd December, 2014, 40,000 equity shares of ₹10/- each were issued on Rights basis to the existing shareholders of the Company.
2. On 5th December, 2014, shares of the Company were subdivided from ₹10/- to ₹2/- per share.
3. Pursuant to Clause 4.2 of Part C of Section I of the Scheme, Jindal Stainless (Hisar) Limited (JSHL) will issue and allot to the shareholders of Jindal Stainless Limited, whose name is recorded in the Register of Members of Jindal Stainless Limited as on record date i.e. **21st November, 2015**, one (1) equity share having a face value of ₹2/- each of Jindal Stainless (Hisar) Limited for every one (1) equity share held by them in Jindal Stainless Limited, each fully paid-up. Therefore, 23,11,85,445 equity shares of ₹2/- each are to be issued in terms of Composite Scheme of Arrangement.
4. Further pursuant to clause 5.1 of Part C of Section I of the Scheme, immediately after the issuance of shares by the Resulting Company i.e. Jindal Stainless (Hisar) Limited to the shareholders of the Transferor Company i.e. Jindal Stainless Limited, the 2,50,000 (Two Lakh Fifty Thousand) equity shares of the Resulting Company having face value of ₹2 (Rupees Two) each held by the Transferor Company comprising 100% (One Hundred per cent) of the total issued and paid-up equity share capital of the Resulting Company shall stand cancelled, without any further act or deed on part of the Resulting Company and the same shall be adjusted against the Capital Reserves Account of the Resulting Company.

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year – 1st April, 2014 (face value of ₹ 10 each)			Shareholding at the end of the year – 31st March, 2015 (face value of ₹ 2 each)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	**Ramesh Kumar	5,000	50	-	-	-	-	50.00
2	**Mukesh Kumar	5,000	50	-	-	-	-	50.00
3	Jindal Stainless Limited	-	-	-	2,48,500	99.40	-	99.40
4	Mahabir Prashad Swami*	-	-	-	250	0.10	-	0.10
5	Shanti Swaroop Saxena*	-	-	-	250	0.10	-	0.10
6	Ankur Agrawal*	-	-	-	250	0.10	-	0.10
7	Rajeev Garg*	-	-	-	250	0.10	-	0.10
8	Mahabir Prashad Gupta*	-	-	-	250	0.10	-	0.10
9	Jitendra Kumar*	-	-	-	250	0.10	-	0.10
	<b>Total</b>	10,000	100	-	2,50,000	100	-	-

\* Nominees of Jindal Stainless Limited and also refer the notes 1 to 4 mentioned above.

\*\* Shares sold to Mr. Sahil and Mr. Gaurav Puri on 25.8.2014.

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

Sr. No.	Name of Shareholder	As on 1.4.2014		As on 31.3.2015		Date wise increase / decrease in promoter shareholding during the year			
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date	No of shares disposed off	No of shares acquired	No. of shares at the end of the year
1	Ramesh Kumar	5,000	50	-	-	25.8.2014	5,000	-	-
2	Mukesh Kumar	5,000	50	-	-	25.8.2014	5,000	-	-
3	Sahil	-	-	-	-	25.8.2014	-	5,000	-
						12.11.2014	5,000	-	-
4	Gaurav Puri	-	-	-	-	25.8.2014	-	5,000	-
						12.11.2014	5,000	-	-
5	Jindal Stainless Limited	-	-	2,48,500	99.40	12.11.2014	-	9,940	2,48,500
						3.12.2014	-	39,760	
6	Mahabir Prashad Swami	-	-	250	0.10	12.11.2014	-	10*	*250
						3.12.2014	-	40*	
7	Shanti Swaroop Saxena	-	-	250	0.10	12.11.2014	-	10*	*250
						3.12.2014	-	40*	
8	Ankur Agrawal	-	-	250	0.10	12.11.2014	-	10*	*250
						3.12.2014	-	40*	
9	Rajeev Garg	-	-	250	0.10	12.11.2014	-	10*	*250
						3.12.2014	-	40*	
10	Mahabir Prashad Gupta	-	-	250	0.10	12.11.2014	-	10	*250
						3.12.2014	-	40	
						20.12.2014	250**	250***	
11	Jitendra Kumar	-	-	250	0.10	12.11.2014	-	10*	*250
						3.12.2014	-	40*	
	<b>Total</b>	<b>10,000</b>	<b>100</b>	<b>2,50,000</b>	<b>100</b>	-			

\* Shares held as nominees of Jindal Stainless Limited.

\*\* Shares sold to Jindal Stainless Limited.

\*\*\* Shares held as the Nominee of Jindal stainless Limited.

Please also refer the notes 1 to 4 mentioned above.

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

Sr. No.	Name of Shareholder	As on 1.4.2014		As on 31.3.2015		Date wise increase / decrease in shareholding during the year			
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date	No of shares disposed off	No of shares acquired	No. of shares at the end of the year
NIL									

## (v) Shareholding of Directors and Key Managerial Personnel:

 Sr. Name of Shareholder  
No.

As on 1.4.2014

As on 31.3.2015

 Date wise increase / decrease in  
promoter shareholding during the year

Sr. No.	Name of Shareholder	As on 1.4.2014		As on 31.3.2015		Date wise increase / decrease in promoter shareholding during the year			
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date	No of shares disposed off	No of shares acquired	No. of shares at the end of the year
1	Mr. Mukesh Kumar	5,000	50%	-	-	25.8.2014	5,000	-	-
2	Mr. Ramesh Kumar	5,000	50%	-	-	25.8.2014	5,000	-	-
3	Mr. Rajinder Parkash Jindal	-	-	-	-	-	-	-	-
4	Mr. Mahabir Prashad Swami	-	-	-	-	12.11.2014	-	10	*250
						3.12.2014	-	40	
5	Mr. Mahender Kumar Goel	-	-	-	-	-	-	-	-

\* Shares held as nominees of Jindal Stainless Limited and also refer the notes 1 to 4 mentioned above.

## V. INDEBTEDNESS

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

(Amount in ₹)

	Secured Loans excluding deposits*	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year – 1st April, 2014</b>				
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Trf/Allocated in terms of the Composite Scheme of Arrangement	8,610,816,174	40,773,532	-	8,651,589,706
• Reduction	(73,597,108)	(22,317,012)	-	(95,914,120)
<b>Net Change</b>	<b>8,537,219,066</b>	<b>18,456,520</b>	<b>-</b>	<b>8,555,675,586</b>
<b>Indebtedness at the end of the financial year – 31st March, 2015</b>				
(i) Principal Amount	8,537,219,066	18,456,520	-	8,555,675,586
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>8,537,219,066</b>	<b>18,456,520</b>	<b>-</b>	<b>8,555,675,586</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount (in ₹)
<b>1.</b>	<b>Gross Salary</b>		
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	NIL	
(b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	NIL	
(c)	Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961	NIL	
<b>2.</b>	<b>Stock Option</b>	NIL	
<b>3.</b>	<b>Sweat Equity</b>	NIL	
<b>4.</b>	<b>Commission</b>		
-	as % of profit	NIL	
-	others, specify	NIL	
<b>5.</b>	<b>Others</b>	NIL	
	<b>Total (A)</b>	NIL	
	Ceiling as per the Act **	NA	

### B. Remuneration to other Directors

#### 1. Independent Directors

Particulars of Remuneration	Name of Directors	Total Amount (in ₹)
• Fee for attending board /committee meetings	NIL	
• Commission	NIL	
• Others, please specify	NIL	
<b>Total (1)</b>	NIL	
<b>2. Other Non-Executive Directors</b>		
<b>Other Non-Executive Directors</b>		
• Fee for attending board committee meetings	NIL	
• Commission	NIL	
• Others, please specify	NIL	
<b>Total (2)</b>	NIL	
Total Managerial Remuneration	NIL	
Overall Ceiling as per the Act	NA	



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

Sl. No.	Particulars of Remuneration	Key managerial Personnel
1.	Gross Salary	NIL
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	NIL
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	NIL
	(c) Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961	NIL
2.	Stock Option	NIL
3.	Sweat Equity	NIL
4.	Commission	
	- as % of profit	NIL
	- others, specify	NIL
5.	Others, please specify	NIL
	<b>Total</b>	NIL

**VIII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

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

Jindal Stainless (Hisar) Limited (hereinafter referred to as "the Company") has been vested with the Ferro Alloys Division and Mining Division through Demerger and Stainless Steel manufacturing facility at Hisar through slump sale of Jindal Stainless Limited, as a part of the Composite Scheme of Arrangement (hereinafter referred to as the "Scheme") amongst Jindal Stainless Limited, Jindal Stainless (Hisar) Limited, Jindal United Steel Limited and Jindal Coke Limited and their respective creditors and shareholders, which was approved by the Hon'ble High Court of Punjab and Haryana at Chandigarh vide its order dated 21st September, 2015 (as amended on 12th October, 2015) (hereinafter referred to as the "Order"). The above Ferro Alloys Division, Mining Division and the Stainless Steel manufacturing facilities have been vested with the Company effective from the Appointed Date 1, i.e. close of business hours before midnight of 31st March, 2014 and as specified in the Scheme, the Company shall issue and allot its equity shares to the Shareholders of Jindal Stainless Limited in the ratio of 1:1 and consequently the shares of the Company shall be listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). Pending listing of Equity Shares, as a good corporate governance practice, the Board of Directors of the Company have decided to voluntarily include a report on Corporate Governance containing the details of Corporate Governance Systems and processes at Jindal Stainless (Hisar) Limited in the Annual Report of the Company. Accordingly, the report on Corporate Governance Agreement is given below:

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

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's philosophy on corporate governance envisages the attainment 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**

Consequent upon filing of the Order with the office of the Registrar of Companies, NCT of Delhi and Haryana, on 1st November, 2015, with a view to align the Board

composition with the requirement of Clause 49 of the Listing Agreement and to maintain optimum combination of Executive and Non-Executive Directors, following six new directors were inducted on the Board of the Company with effect from 2nd November, 2015:

**(A) Non-Independent Directors**

1. Mr. Ratan Jindal, Chairman (Promoter)
2. Mr. Abhyuday Jindal, Vice Chairman (Promoter)
3. Mr. Ashok Kumar Gupta, Whole Time Director

**(B) Independent Directors**

4. Mr. T. S. Bhattacharya
5. Mr. Kanwaljit Singh Thind
6. Ms. Ishani Chattopadhyay

Consequent upon induction of the above directors, Mr. Rajinder Parkash Jindal and Mr. M. P. Swami resigned from the Board of the Company effective from 6th November, 2015. Mr. Mahender Kumar Goel has tendered his resignation from the Board of the Company effective from 20th November, 2015.

**(ii) Independent Directors**

The Board of Directors of the Company has appointed Mr. T. S. Bhattacharya, Mr. Kanwaljit Singh Thind and Ms. Ishani Chattopadhyay as Independent Directors on the Board of the Company with effect from 2nd November, 2015. In terms of the provisions of Section 161(1) of the Companies Act, 2013, they shall hold office up to the date of ensuing Annual General Meeting. The Company has, in accordance with the provisions of Section 160 of the Companies Act, 2013, received notice in writing from member(s) proposing their candidature for appointment as Independent Directors at the ensuing Annual General Meeting. Accordingly the Board of Directors is seeking approval of the Shareholders in the ensuing Annual General Meeting for their appointment for the Office of Independent Directors to hold office up to two consecutive years w.e.f. 2nd November, 2015.

The Company has received declarations as stipulated under Section 149(7) of the Companies Act, 2013 and clause 49 of the Listing Agreement from each Independent Directors confirming that he/she is not disqualified from appointing/continuing as an Independent Director. The formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 and Clause 49 of the Listing Agreement will be issued to the independent directors, post their appointment at the ensuing AGM and terms and conditions of their appointment shall thereafter be displayed on the website of the Company.

**(iii) Board Meetings**

During the financial year 2014-15, eighteen Board meetings were held on 23rd June, 2014, 25th June, 2014, 15th July, 2014, 20th July, 2014, 31st July, 2014, 4th August, 2014, 25th August, 2014, 4th September, 2014, 5th September, 2014, 6th October, 2014, 12th November, 2014, 14th November, 2014, 3rd December, 2014, 15th December, 2014, 20th December, 2014, 29th December, 2014, 25th February, 2015 and 16th

March, 2015. The maximum time gap between any two meetings did not exceed one hundred twenty days.

**(iv) 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 *	-	N.A.	9	Nil
Mr. Abhyuday Jindal*	-	N.A.	-	Nil
Mr. Ashok Kumar Gupta*	-	N.A.	2	Nil
Mr. T.S. Bhattacharya*	-	N.A.	7	1(M)
Mr. Kanwaljit Singh Thind*	-	N.A.	2	2(M)
Ms. Ishani Chattopadhyay *	-	N.A.	3	Nil
Mr. Mukesh Kumar **	3	N.A.	-	-
Mr. Ramesh Kumar **	3	N.A.	-	-
Mr. Jatin Kumar ***	1	N.A.	-	-
Mr. Shubham Singla ***	1	N.A.	-	-
Mr. Mahender Kumar Goel #	17	Yes	-	-
Mr. Shailesh Goel ##	12	Yes	-	-
Mr. Rajinder Parkash Jindal @	5	N.A.	-	-
Mr. M. P. Swami @	5	N.A.	-	-

\* Appointed as Directors on the Board of the Company w.e.f. 2nd November, 2015.

\*\* Ceased to be Directors of the Company w.e.f. 20th July, 2014.

\*\*\* Ceased to be Directors of the Company w.e.f. 15th July, 2014.

# Appointed on the Board of the Company w.e.f. 23rd June, 2014 and ceased w.e.f. 20th November, 2015.

## Appointed on the Board of the Company w.e.f. 23rd June, 2014 and ceased w.e.f. 15th December, 2014.

@ Appointed on the Board of the Company w.e.f. 3rd December, 2014 and ceased w.e.f. 6th November, 2015.

N.A. Not Applicable

\$ Directorships do not include directorships in foreign companies.

^ Only covers Memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee.

None of the Directors on the Board is a Director in more than 20 companies (as specified in Section 165 of the Companies Act, 2013) 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/she is a Director.

(v) **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 either held at the Company's Registered Office at Hisar or at Company' corporate office at New Delhi.
- (iii) Consequent upon the Scheme coming into effect, all divisions/departments in the Company have been 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 Company Secretary, in consultation with the Chairman / Vice Chairman / Whole Time Directors and other concerned persons in the top management, finalizes 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 and other directors present at the meeting, additional or supplementary

item(s) in the agenda are taken up for discussion and consideration. 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.

(vi) **Familiarization Programme for Board Members and Independent Directors**

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with Company's procedures and practices. Presentations are made at the Board and Board Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. The Company through its Key Managerial Personnel / Senior Managerial Personnel conducts programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company and to appraise them about their roles, rights and responsibilities in the Company to enable them to make effective contribution and discharge their functions as a Board Member.

The Independent Directors are given every opportunity to interact with the Key / Senior Management Personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

The familiarization programme for Independent Directors in terms of the provisions of Clause 49 of the Listing Agreement, as approved at the Board meeting held on 2nd November, 2015 shall be uploaded on the website of the Company.

**(vii) Independent Directors' meeting**

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a meeting of the Independent Directors of the Company will be held during the current financial year 2015-2016, without the attendance of Non-Independent Directors and members of the management.

**(viii) Evaluation of Board Effectiveness**

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and Clause 49 of the Listing Agreement, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, will evaluate the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees will be carried out for the financial year ending 31st March, 2016. The evaluation of the Directors will be based on various aspects, inter-alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

**3. Board Committees**

The Committees constituted by the Board plays a very important role in the governance structure of the Company. The composition and the terms of reference of these Committees are approved by the Board and are in line with the requirement of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The minutes of the Committee meetings are placed at the Board meetings. Currently there are following 6 (six) committees of the Board viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Share Transfer Committee and Sub-Committee of Directors.

**(i) Audit Committee**

The Audit Committee of Directors has been constituted by the Board of Directors of the Company in their meeting held on 3rd April, 2015.

**Terms of Reference:**

The "Terms of Reference" of the Audit Committee are in conformity 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.

**Composition and Attendance:**

The Audit Committee consists of four Directors, out of which three 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.

The composition of the Committee is as under:

1. Mr. T. S. Bhattacharya,  
Independent Director (Chairman)
2. Mr. Kanwaljit Singh Thind,  
Independent Director (Member)
3. Ms. Ishani Chattopadhyay,  
Independent Director (Member)
4. Mr. Ashok Kumar Gupta,  
Whole Time Director (Member)

Since the Committee was constituted on 3rd April, 2015, no meetings of the Committee were held during the financial year 2014-15.

The Executive Director (Finance) / Chief Financial Officer 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 of the Company has, in their meeting held on 2nd November, 2015, formulated a Whistle Blower Policy ("WBP") 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.

The 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.

The WBP also provides for adequate safeguards against victimization 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.



**(ii) Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee of Directors has been constituted by the Board of Directors of the Company in their meeting held on 3rd April, 2015.

**Terms of Reference:**

The Terms of Reference of the Nomination and Remuneration Committee are in conformity with Section 178 of the Companies Act, 2013.

**Composition and attendance:**

The Nomination and Remuneration Committee consists of three Directors, out of which two are Independent. No meetings of the Committee were held during the financial year ended 31st March, 2015, as the Committee was constituted on 3rd April, 2015.

The composition of the Committee is as under:

1. Mr. Kanwaljit Singh Thind, Independent Director (Chairman)
2. Mr. T. S. Bhattacharya, Independent Director (Member)
3. Mr. Abhyuday Jindal, Non-Executive Director (Member)

**Details of Remuneration paid to the Directors during the financial year ended 31st March 2015:**

During the financial year ended 31st March, 2015, no remuneration was paid to the Directors of the Company.

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 2014-2015.

There are no convertible instruments and / or Equity Shares issued to any of the Directors of the Company.

**Stock Options granted to Directors**

No Stock Options have been granted to any Directors of the Company.

**(iii) Stakeholders Relationship Committee:**

The Board of Directors of the Company has in its meeting held on 2nd November, 2015 constituted the Stakeholders Relationship Committee. The Terms of Reference of the Stakeholders Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Stakeholders Relationship Committee consists of three Directors, of which one is Independent and two are non-independent Directors. No meetings of the Committee were held during the financial year ended 31st March, 2015.

The composition of the Committee is as under:

1. Mr. T. S. Bhattacharya, Independent Director (Chairman)
2. Mr. Abhyuday Jindal, Non-Executive Director (Member)
3. Mr. Ashok Kumar Gupta, Whole Time Director (Member)

Pursuant to the Listing Agreement, Mr. Bhartendu Harit, 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 / shall comply 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 shall look 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 will be processed and confirmations thereof will be communicated to the investors within the prescribed time.

**(iv) Corporate Social Responsibility Committee:****Terms of Reference:**

The Board of Directors of the Company have in their meeting held on 2nd November, 2015 constituted the Corporate Social Responsibility Committee of Directors. The Terms of Reference of the Corporate Social Responsibility Committee ("CSR Committee") are in conformity with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

**Composition:**

The CSR Committee consists of three Directors, out of which one is Independent.

Names of Members of the Committee and their status are given below:

Name	Status
Mr. Abhyuday Jindal	Chairman
Mr. Ashok Kumar Gupta	Member
Mr. Kanwaljit Singh Thind	Member

No meetings of the CSR Committee were held during the year 2014-15.

**(v) Share Transfer Committee:**

The Board of Directors has in their meeting held on 2nd November, 2015, delegated the power of approving transfer of securities and other related formalities to the Share Transfer Committee comprising of Mr. Ashok Kumar Gupta, Whole Time Director, Mr. Bhartendu Harit, Company Secretary and a representative of Registrar & Transfer Agent.

**(vi) Sub-Committee of Directors:**

The Board of Directors of the Company has in their meeting held on 2nd November, 2015, constituted a Sub-Committee of Directors which has been delegated with certain powers of the Board of Directors in accordance with the provisions of the Companies Act, 2013 and the rules framed thereunder. The Committee shall meet from time to time on need based to transact the matters of urgency.

Names of Members of the Committee and their status are given below:

Name	Status
Mr. Ratan Jindal	Chairman
Mr. Ashok Kumar Gupta	Member
Mr. Kanwaljit Singh Thind	Member

**4. General Body Meetings:**

The Company held its first Annual General Meetings at the registered office of the Company at O.P. Jindal Marg, Hisar – 125005 (Haryana) on 30th September, 2014 at 11.00 AM and no special resolutions were passed thereat.

There is no resolution proposed to be passed through postal ballot at the ensuing Annual General Meeting of the Company.

**5. Disclosures:**

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

**6. Means of Communication:**

i) Quarterly Results	The quarterly, half yearly and yearly financial results of the Company will be mailed /sent to the stock exchanges after they are approved by the Board. These will also be published in the Newspapers, 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)
iii) Any website, where displayed	www.jshlstainless.com
iv) Whether it also displays official news releases	The Company gives/will give important Press Releases.

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 / will comply with all the mandatory requirements of this clause.

**(iv) Compliance with non-mandatory requirements**

The Company has adopted following non-mandatory requirements of Clause 49 of the Listing Agreement.

**(1) Shareholders' Rights**

The financial results of the Company for the half year ended 30th September, 2015 have been published in an English (National daily) and a Hindi newspaper, having wide circulation in Haryana.

**(2) 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.

v) The Presentations made to institutional investors or to the analysts	The Company holds / will hold Analysts' Meet from time to time.
vi) NSE Electronic Application Processing System (NEAPS)	The NEAPS is a web based application designed by NSE for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others will be filed electronically on NEAPS.
vii) BSE Corporate Compliance & Listing Centre (the 'Listing Centre')	BSE's Listing Centre is a web based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others will be filed electronically on the Listing Centre.
viii) Corporate Filing and Dissemination System (CFDS)	The CFDS portal jointly owned, managed and maintained by BSE & NSE is a single source to view information filed by listed companies. All disclosures and communications to BSE and NSE will be filed electronically through the CFDS portal. In particular, the Company informs BSE and NSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.
ix) SEBI Complaint Redressal System (SCORES)	The investor complaints will be processed in a centralized web based complaint redress system. The salient features of this system are: Centralized Data Base of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

## 7. General Shareholders' Information

### 7.1 Annual General Meeting

- Date and Time	30th December, 2015 at 11.30 a.m.
- Venue	At registered office of the Company at O.P. Jindal Marg, Hisar – 125005 (Haryana).

### 7.2 Financial Calendar 2015 – 16 (Tentative)

Annual General Meeting – (Next Year)	September, 2016
<b>Financial Reporting</b>	<b>On or before</b>
Results for quarter ending June 30, 2015	Not Applicable
Results for quarter ending Sep. 30, 2015	6th Nov., 2015
Results for quarter ending Dec. 31, 2015	On or before 14th Feb., 2016
Results for year ending Mar. 31, 2016 (Audited)	On or before 30th May, 2016

### 7.3 Book Closure date

: Not applicable.

### 7.4 Dividend Payment date

: Not applicable.

### 7.5 Unclaimed Shares

: Not Applicable

### 7.6 (a) Listing of Equity

: The Company shall get its Equity Shares listed on BSE Limited

#### Shares on Stock Exchanges

(BSE) and National Stock Exchange of India Limited (NSE)

### (b) Listing of GDS on Stock Exchange

: The GDS of the Company shall be listed on Luxembourg Stock Exchange.

### (c) Debenture Trustee

: Not Applicable

- 7.7 Stock Code (Equity Shares) : Not Applicable
- 7.8 Stock Market Price Data : **Not Applicable**
- 7.9 Share price performance in comparison to broad based indices – BSE Sensex – : **Not applicable**
- 7.10 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
- 7.11 Share Transfer System : Share transfer requests for shares in physical form will be registered within 10 – 15 days. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through the respective Depository Participants.
- 7.12 Distribution of shareholding as at 31st March, 2015 : As on 31st March, 2015, the Company was wholly owned subsidiary company of Jindal Stainless Limited and its entire share capital of ₹ 5 Lacs was held by Jindal Stainless Limited.
- 7.13 Dematerialisation of shares : Not Applicable
- 7.14 Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion dates and likely impact on equity. : As on 31st March, 2015, there were no outstanding convertible securities.
- 7.15 Plant locations : **HISAR** O.P. Jindal Marg, Hisar – 125 005 (Haryana). **KOTHAVALASA** Jindal Nagar, Kothavalasa – 535 183 Dist. Vizianagaram (A.P.)
- 7.16 Investor Correspondence : Name : Mr. V.M. Joshi,  
For transfer / dematerialisation of shares, Designation : Vice President  
payment of dividend on shares, query on Address : Link Intime India Private Limited  
Annual Report and any other query on the shares of the Company. 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 M/s. Link Intime India Private Limited, New Delhi, the Registrar & Transfer Agent.

**8. 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 Whole Time Director and the Chief Financial Officer of the Company have given 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.

**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, 2015, no accounting treatment was different from that prescribed in the Accounting Standards;
- (iv) The Company has a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and a Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

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

The Company shall obtain a certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement for the financial year 2015-16 and publish the same in the Annual Report for the year 2015-16.



### Global outlook

The year 2014-15 has seen divergent trends in world economies. The US economy has seen better growth while Euro Zone saw marginal growth with monetary easing by its central bank. The fears regarding slowdown in China were coming out to be true with single digit growth as compared to double digit growth witnessed in earlier years and Japan continued to face difficulties to come out of its stagnation. The commodities market witnessed sharp decline in Oil prices and metal prices resulting in volatility in world markets. The growth projected by IMF in 2015 is 3.3% in 2015 which is marginally lower than 2014, with better prospects for advanced economies and reflecting weaker prospects for some large emerging economies and oil exporting economies.

### Indian Economy

The majority government at the centre was the catalyst to buoyant optimism in Indian economy. The economy showed early signs of recovery witnessed by increased flows into the country and achieving sharp reduction in current account deficit supported by drop in Oil and Commodity prices in international markets. The economy is projected to grow at over 7.4% in FY 15-16. The Indian Industry continued to face challenges from Imports from China with high rate of interest domestically. However, since Inflation remains under control there are expectations from RBI to support the economy by lowering the interest rates. Demand for Stainless steel should go up on the revival of the economy and by Make in India initiative.

### Global Stainless Steel scenario

As per International Stainless Steel Forum (ISSF), in 2014, stainless steel melt shop production increased by 8.3% year-on-year to 41.7 million metric tons (mmt). Production increased in all regions except for Central and Eastern Europe. China is accounting for 22 Million MT of the 41MMT pie with an increase of 14.3% over its last year's production.

FY 2014 saw dwindling Nickel prices. With the rising Ni LME stocks in Q-4 (FY 2014), the soft demand conditions in most of the key consuming regions have given way to the negative sentiment in the market. The global stainless steel flat products market looked structurally skewed towards oversupply due to overstocking in later half of year 2014. Post the New Year, demand had not grown fast enough in mature markets to absorb potential supply and Chinese exports led to downward pressure on international prices.

Activity in the stainless steel market was subdued in China in February, as end-use demand did not pick up following the New Year holiday. As a result, stocks continued to rise which led to delays in new orders. China appears to be losing its cost advantage. It

started narrowing since mid-2014 mainly due to the fact that US and Western European mills have managed to secure greater scrap and charge chrome discounts. Adding to it was the falling NPI production in China which declined 6% y/y in 2014. This along with the decline in energy prices helped to make European and US mills more competitive relative to Chinese mills.

With the EU slapping anti dumping duties on cold rolled SS products from China & Taiwan, it is anticipated that they would be looking at markets in Asia and Africa in order to substitute demand losses from Europe and would be focusing more on HR products in EU.

### Indian Stainless Steel Scenario

With total production of 2.9 M of stainless steel, India continues to rank as the third largest producer and second largest consumer of Stainless Steel. Continued focus on developing infrastructure and govt's 'Make in India' initiative has propelled positive growth in various sectors like automobile, defense, railways, general engineering & process industries. Various ministries are launching 'Make in India' in different sectors enabling growth of domestic business. Railways have announced that more coaches would be made in stainless steel; process industries are shifting to equipments made out of stainless steel; more SS is being used in construction segment helping growth of stainless steel usage in Indian market.

Last year, Indian market remained sluggish primarily owing to cheaper imports and price pressure. In the anticipation of the anti dumping duty getting imposed on China by EU, Domestic market faced increased Chinese Imports.

Developments in user segment of Stainless Steel are a very positive sign for the industry and its growth. Also, the Indian Government, post pressure from the industry and ISSDA, has initiated imposing of - anti-dumping duty on HR products- is a ray of silver lining.

### Way Forward

Focusing on increasing Market Penetration & in creating awareness for increase of per capita consumption of stainless steel in India.

JSHL is making multiple efforts in increasing market share in domestic market and focusing on strategic export markets to increase share of business and profitability. Following plans are being made for increase of business in coming year.

### Domestic Market

With increasing business in domestic market, it has become imperative to focus on micro levels of business. JSHL is working on to find out the business trends in different sub-segments levels and

putting efforts to increase business by finding out new leads. To increase reach in the Domestic market & to understand customer needs in a better way, Customers are being divided into sub segments level & accordingly customizing our service & product package for them. JSHL is also coordinating with Associations of these segments and creating awareness for stainless steel usages in their conventions.

### Export Market

Maintaining Long term relationships, making contracts, having continuity of supplies and targeting large developed markets, continues to be JSHL focus in the coming year for improving market share in exports business.

- a) JSHL is focusing on developed markets Like Europe, Russia, Asia and Middle East for increased market penetration. These countries and regions are being identified on the basis of economic/growth parameters, SS consumption patterns/ segments, profitability analysis and importantly of Jindal Stainless product fitment. Supplies have been increased to cater to these customers to increase share of business.
- b) JSHL is now focusing more on increasing sales to OEMs in international markets to improve our presence and increase after market share. It is being planned to develop and offer special grades to meet techno commercial requirements of different regions creating a niche market for JSHL.

### Business Highlights (Standalone)

A Composite Scheme of Arrangement (here-in-after referred to as the 'Scheme') amongst Jindal Stainless (Hisar) Limited (JSHL) and its three wholly owned subsidiaries namely Jindal Stainless (Hisar) Limited (JSHL/the Company), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) under the provisions of Section 391-394 of the Companies Act, 1956 and / or Companies Act, 2013 has been sanctioned by the Hon'ble High Court of Punjab & Haryana, Chandigarh (High Court) pursuant to its order dated 21st September 2015 (as modified on 12th October, 2015 by the High Court). Section I and Section II of the Scheme became effective on 1st November, 2015, operative from the 'Appointed Date 1' specified in the Scheme for Section I and II i.e. close of business hours before midnight of March 31, 2014'.

Pursuant to the Section I and Section II of the Scheme becoming effective, the Demerged Undertakings (comprising of FA Division and Mining Division) and the Business Undertaking 1 (comprising of Hisar Unit including investments in the domestic subsidiaries as

listed in Part B of Schedule 2 of the Scheme) has been transferred to and vested in JSHL with effect from the Appointed Date 1 i.e. close of business hours before midnight of March 31, 2014; accordingly the same has been given effect to in the financial statements (Post Scheme) for the year ended 31st March 2015.

In view of above, the audited financial results for the year ended 31st March 2014 are not comparable.

JSHL's (Standalone) gross revenue for the financial year ended 31st March, 2015 at Rs 8,142 crore. Profit before depreciation, interest, exceptional item and taxes stood at Rs. 735 crore. Net profit/ (loss) stood at Rs. 12 crore.

### Risks and Concerns

JSHL is exposed to normal industry risk factors like fluctuations in Nickel prices, fluctuations in Exchange rates, global economic slowdown, 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.

### Internal Control Systems

JSHL'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 organization's control and governance processes. Recommendations are provided to add value to the organization 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 organization and audit areas are prioritized accordingly. The audit plan is approved by the Audit Committee which regularly reviews the reports and compliance to the plan.

### Quality & Quality Management System

Jindal Stainless (Hisar) Limited is an ISO 9001:2008, ISO 14001:2004 & OHSAS 18001:2007 certified organization. The Integration of these systems is known as IMS (Integrated Management System) comprising ISO 9001: 2008 Quality Management System, ISO 14001:2004 Environment Management Systems and OHSAS 18001:2007 Safety Management Systems.

Jindal Stainless (Hisar) Limited has always groomed and bred the philosophy of manufacturing excellence combined with quality finesse right since the inception of its journey towards being one the largest Stainless Steel manufacturers globally. This journey towards impeccable quality started in 1999, when the organization obtained ISO 9001 certification. Since then, the organization has never looked back and continues to be the market leader both in domestic and international segments, thanks to the reliable quality of its products. Jindal Stainless (Hisar) 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. 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 (Hisar) 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. All the 3 systems are together known as Integrated Q-SHE (Quality, Safety and Health and Environmental Management System) and form an integral part of the operations at Jindal Stainless (Hisar) Limited. The above systems ensure that the Quality of the product is world class, and at the same time, the processes that go into making such products, are environmental friendly and hazard free, thus providing a conducive work environment for all. This integrated Q-SHE management system is regularly reviewed and updated to incorporate customers expectations, environmental control including legal compliance and addressing safety and health of the employees and the surroundings. This is achieved by means of a rigorous internal audit system, which include cross functional teams of auditors specifically trained for the above purpose. The Top Management of the company is committed to the development and implementation of the Integrated Management System for Quality and continually improve its effectiveness by establishing the Quality policy based on the strategic objectives and Management priorities. 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 (Hisar) Limited are also certified for Pressure Equipment

Directive (PED-97/23/EC) and AD 2000 W0 and for Construction Product Regulation (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.

Another feather in JSHL's crown is the NABL accreditation for the Chemical Labs. NABL accreditation demonstrates JSHL's technical competence in the field of chemical testing, raises customer confidence in the test results issued by the laboratory with universal acceptability in the open market which provides greater access for their products, in both domestic and international markets.

### Research & Development

During the financial year 2014-15, company focused on development of new value added stainless steel grades, process improvements and customer satisfaction through developing customised products matching their specific requirements. Simultaneously several measures were undertaken to reduce cost in different production units.

The wide spectrum of products from JSHL encompasses lean austenitic to super-austenitic, lean duplex to super-duplex, low cost ferritic to high chromium ferritic, stabilised austenitic to stabilised ferritic and lean martensitic to highly alloyed martensitic grades. The products cover comprehensive requirements of customers seeking materials which are lustrous, resistant to corrosion, withstand high as well as cryogenic temperatures with excellent toughness, drawability and weldability

1. Specific areas in which company carried out research work:

#### Development of New Products:

- High nitrogen steel 18Cr21Mn0.65N for ballistic applications.
- Clad Stainless Steel plates in 1220 mm width, consisting of 316L stainless steel backed up by high strength API X60 steel grade.
- 304N and SUS 304N2 grades.
- Development of 304L grade with very low hardness less than 75HRb and very high drawability.
- Development of low-Ni grade J4 with minimum 16%Cr for export cookware applications.
- Precision strips of super-austenitic 1.4539 and duplex 1.4462 grades
- Cold rolled lean duplex UNS S32101 for electrode applications in copper refinery.

- Development of wide 304L plates in 3200 mm width by synergising with JSPL.

#### Process Improvement & cost reduction:

- Improvement in deep drawability and ridging resistance of 409L grade through process modifications.
  - Coils of increased weight of 0.1mm thick razor blade strips
  - Improvement in yield of martensitic grade through process optimization.
  - Improvement in chromium recovery in Electric Arc Furnace by pneumatic Al dross & coke powder injection.
  - Modification in grinding practice of ferritic stainless steel grades leading to cost saving.
2. Benefits derived:
- More value added products in JSHL basket.
  - Improvement of product quality for customised applications.
  - Cost reduction through different initiatives.
3. Future plan of action:
- Development of value added and customized products for defense and aerospace sectors.
  - Export of novel grades of stainless steels.
  - Input cost reduction by optimizing addition of fluxes & deoxidisers.
  - Energy conservation by warm charging of slabs.

#### Developments in Testing, Certifications & Approvals

The Chemical Analysis Laboratories of Jindal Stainless (Hisar) Limited, Hisar has been conferred NABL (National Accreditation Board for Testing and Calibration Laboratories) accreditation. This accreditation confirms that Testing procedures adopted by our Chemical Labs is authentic and is based on recognized procedures laid by International or National Standards such as ASTM, EN, BIS etc.

Towards temper proof authentication and streamlining the Product Certification, Digital Signature system has been introduced in Test Certificate. This will on one hand help towards a better control in Certification, besides, it will help stopping unauthorized tempering by any external agency thereby stopping any possible disgrace of Brand Image.

The Product Range supplied under AD 2000-Merkblatt W0 (Pressure Equipment Certification(EU) and CPR/89/106/EEC manufacturing in accordance Directive 93/68/EEC of the Council the European Communities for the Products to be used in construction industries has been increased. CRAP Products from 0.4mm and going upto 3.0mm and HRAP Products from 2.0mm going upto 60mm thickness are now available from Hisar with both of these Certifications.

#### Market Development

Significant development has been made for supplying Stainless Steel material for majors in Lifts & Elevators and White Goods Manufacturers. Under this the new Customers added are Kone Elevators, Otis from Lifts & Elevators and for White Goods Samsung, IFB and Whirlpool. Commercial supplies have been successfully commenced during the Year.

The Long Products Range is being offered from Hisar. The Hot Rolling/Forging and Finishing Operations are currently being outsourced and all others activities including Melting, Casting, Final Testing & Certifications are being done from Hisar. A major requirement from Nuclear Fuel Complex has successfully being executed from Hisar with stringent internal cleanliness & UT requirements.

#### Customer Support Systems

For a speedier resolution of problems, Complaint resolution and for providing faster Technical Support to the Customers the technical persons with QA background are posted at Gurgaon, Mumbai, Vadodra & Chennai.

In our SAP system Window for Complaint closure as per the Customer satisfaction is created. This is to ensure the Customer grievance has got closed as per their satisfaction. Our Mktg. KAMs are close this after discussing with Customers.

#### Environment, Health & Safety

At every stage of operations at Jindal Stainless (Hisar) Limited, we strive for sustainable excellence through value creation for all stakeholders and an emphasis on Environment, Health & Safety. Our prime concern is to ensure that business is carried out with the least harm to the environment in which it operates and this has led to several initiatives to an environmentally friendly business operation. The company has setup norms beyond the statutory requirements and has put up in place the systems and process to continuously monitor the effectiveness of such initiatives.

### Environment

In its pursuit of sustaining and green environment alongside its business development Hisar unit has established and implemented Environmental Management System (EMS) as per ISO 14001:2004

The strategic focus areas to improve and enhance our resource efficiency include:

- Adopting 3R philosophy of Reduce, Reuse and Recycle
- Mitigation of climate change through process optimization, energy conservation, efficiency enhancement and R&D
- Reduction of overall environmental footprint

The company has made substantial capital investments to ensure proper treatment of generated effluents to meet all relevant regulatory requirements. The management of the company ensures that environmental objectives, are established at relevant functions and levels within the company. When establishing & reviewing its objectives the company considers its legal & other requirements, its significant environmental aspects and commitment to prevention of pollution. The progress on these objectives is monitored in several forums that are directly looked after by the Top Management, thus ensuring a continual improvement in the overall Environmental Performance

Jindal Stainless (Hisar) Limited, Hisar 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, Jindal Stainless (Hisar) Limited, Hisar 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, Jindal Stainless (Hisar) Limited, Hisar 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

Jindal Stainless (Hisar) Limited has a strong commitment towards creating and providing a safe working environment for all its employees and other stakeholders. Jindal Stainless (Hisar) Limited, Hisar 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.

Jindal Stainless (Hisar) Limited, Hisar 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

Safety is the top most priority across the Jindal Stainless (Hisar) Limited and we aspire to set the benchmark on this front within our industry. JSHL is committed to ensuring zero harm to its employees, contractors and the communities in which it operates. This is integral to the business process and is laid down in the health and safety (H&S) policies, standards and working procedures. 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.

Jindal Stainless (Hisar) Limited 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. The Safety, Health and Environment Committees have been established across different functions to ensure Safe and Environmental working atmosphere inside the plant.

Jindal Stainless (Hisar) Limited'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

- "CCQC (Chapter Convention on Quality Circles) 2014 (Delhi Chapter, Pataudi)"
- "Gold Award" won by Quality Circle Teams
- "IIM National Sustainability Award"
- 1st Prize in Secondary Steel Plants/Alloy Steel Plants Category
- "Accreditation of N A B L for Chemical Labs I & II"
- "NCQC (National Convention on Quality Circles) 2014, Pune"
- 6 Quality Circle Teams participated & three of them won "PAR EXCELLENCE"



### Company CSR Vision

With the intent of ensuring the principles enshrined in the Chairman's Vision statement 'To be admired as a Socially Responsible Corporate', Jindal Stainless (Hisar) Limited CSR efforts have remained focused on 'Making a difference in the lives of people', with a special reference to communities around our plant locations. Such efforts are streamlined around sustainable models of development and growth. As signatories of the United Nations Women Empowerment Principles (WEP) statement of support and as one amongst the 32 members worldwide of the WEP Leadership Group, we have been entrusted with the responsibility of encouraging women to take on leadership roles, both within the Company as also outside.

Being a manufacturing and extractive industry, JSHL has to address a number of varied concerns of communities after understanding their needs through a process of a base line survey. From the outcomes of such an exercise, JSHL, besides addressing issues of women empowerment has undertaken projects like Education, Skill training, Health care, Community development, Environment, Business and human rights etc. Although most of the CSR activities are undertaken around our plant location, yet we are also addressing issues of communities along the supply chain. Some of the key CSR interventions have been briefly elaborated in the subsequent paragraphs.

**Women Empowerment** – The focus of the Women Empowerment Programs remains at strengthening the resolve of women to undertake various roles and display their leadership prowess. Efforts are being made to encourage women through either the self help group models or independently driven model of 'Women Owned Businesses'.

To promote and encourage women to participate in the family decision making process, we continue to evolve with an innovative project - 'Save The Girl Child', which addresses the issue of female infanticide. The project aims at creating awareness on a safe and healthy environment for the girl child and their Rights. Through a process of awareness campaigns and a door to door delivery mechanism put in place, efforts have started to show results as they suggest that institutional deliveries are now being encouraged in families. This in turn has a positive impact on improved infant mortality and morbidity rates as also on the overall health of a family.

It is interesting to note that over 3000 women through the model of 'Self Help Groups (SHG) have been engaged in financial literacy and financial inclusion and have been empowered adequately to open up their own bank accounts resulting in reasonably good savings. It is also prudent to mention that the women SHGs have been able to save amounts over Rs. 1.5 crores and have started their own small inter linked business ventures. The initiative also encourages women to interact with each other on various topics from household chores to business relationships and the like.

**Education** – The initiative has benefitted over 4000 children with a focus of encouraging children 'Out of School' to learn and subsequently enrolling them in Government and Private schools. In addition to make the education learning attractive and easy, we have collaborated with our partners like NIIT Foundation and positioned hardened rugged computers at schools with animation as a learning tool. The software installed has given children a joyful learning experience and it is observed that with such intervention their learning abilities have been enhanced. We have also deployed computers at Government and private schools and established select computer centres. This has encouraged students to learn and play games on computers.

**Skill Development** - Skill Development training programs include computer education, dress designing and fashion technology, beauty culture, electrical courses, stainless steel fabrication courses etc. All these skill training programs have an inbuilt component of soft skill training. Our efforts are to provide employable skill sets and facilitate in students getting jobs.

**Health Care** – The community health needs are being taken care through various interventions from mobile health vans to holding specialist camps in villages. Over 40,000 people from over 40 villages have availed of the opportunity and are treated for different ailments. In addition through a series of organised workshops we create awareness on HIV and AIDS and other diseases. The efforts are going to become more focused around specific diseases with a special mention of cancer and drug abuse, which through partner organizations are going to be addressed in a very deliberate manner.

**Business & Human Rights** – In collaboration with the UN Global Compact Network and as members of the Global Business Initiative on Human Rights, JSHL has been championing the cause and facilitated the creation of 'CEO Forum on Business and Human Rights', which meets periodically to address various issues around UNGPs.

**Environment and Community Development** – JSHL has been addressing the issue of environment and mitigating the problems associated with climate change and carbon sequestration. It is also encouraging water harvesting structures and promoting alternative sources of energy to include solar energy and energy conservation processes like retrofit building programs and the like.

### Our People: Our Central Nervous System

Times are changing and becoming ever more challenging and demanding. In this complex & rapidly changing business dynamics, talented & committed workforce will be one of the key tools to make a difference in the competitive scenario. In the same tone, JSL builds a platform of countless opportunities that offer individual growth, open culture and freedom to showcase Creativity & Innovation. In the FY 2014-15, various HR initiatives were rolled out which

encompasses Employee Opinion Survey (EOS), digitization of HR processes, enhancing employee knowledge and creating avenues for sustaining the critical talent pool and outstanding performers.

For meeting the business requirements, hiring drive of Hisar Unit continues. Overall employees added were 83 during the year which included 21 GETs (Graduate Engineer Trainees) from the premier engineering colleges. JSL recognizes that the key success to business is to maintain a vibrant workforce and leverage its collective intelligence effectively. The employee strength of Hisar unit stood at 2311 as on 31st March 2015.

With the objective to create an environment of belongingness and enhance capability building, campaign of "Employee Opinion Survey" and "150+ Campaign" was done at JSL, Hisar. In view of recognizing and encouraging individual and team performance, "STAR Reward" scheme of instant recognition to our employees and "Production Incentive Scheme for Stainless Steel and Non Stainless Steel operations" were launched which enabled the organization to foster meritocracy and result oriented. JSL continues to focus on process improvement thereby bringing in a robust online Performance Management System, Online Travel Management System and Delegation of Authority matrix for HR. Enhancing leadership potential and talent sustainability has always been on priority at JSL which is reflected through various Training & Development initiatives rolled out throughout the year and overall training mandays stood at 7265.

As part of the development initiatives, JSL Hisar has also initiated technical tie up with the premier engineering institute, IIT Roorkee as a major step towards strengthening the Industry-Academic relationship and to bring value added relationship amongst the two entities which will benefit each other.

With focus on enhancing the employability within or outside the organization and also to create committed and productive workforce, DISHA (Develop Interest, Skills, Humility and Aptitude) program was launched at Hisar. This platform provided guidance and awareness to employees ward in making them job ready and imparting them skills and knowledge as per the job requirement.

JSL's effort to bring in a working environment where women employees are provided with equal opportunities, International Women Day was celebrated at Hisar unit followed by a sessions on Women Empowerment.

#### **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 (Hisar) Limited (formerly known as Jindal Stainless (Hisar) Private Limited)**

**Report on the Standalone Financial Statements (Revised)**

We have audited the accompanying REVISED standalone financial statements of **Jindal Stainless (Hisar) Limited (formerly known as Jindal Stainless (Hisar) Private Limited)** ("the Company"), which comprise the REVISED Balance Sheet ("Balance Sheet") as at 31st March, 2015, the REVISED Statement of Profit and Loss ("Statement of Profit and Loss"), the REVISED Cash Flow Statement ("Cash Flow Statement") for the year then ended, and a summary of significant accounting policies and other explanatory information in which impact of the Scheme (as stated in Note no. 26) have been incorporated.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

**Emphasis of Matters**

Attention is drawn to the followings:

- (a) Note no. 34 (B) regarding certain investments and loan & advances considered as good and fully realizable/ recoverable related to certain subsidiary companies, for the reason stated in the said note and no provision for diminution in value is necessary in the opinion of the management.

Our opinion is not modified in respect of above matters.

**Other Matter**

The standalone financial statements of the Company for the year ended 31st March, 2015 were earlier approved by the Board of Directors at their meeting held on 25th May, 2015, on which we had issued our report dated 25th May, 2015. These financial statements have been reopened and revised to give effect to the Scheme as explained in Note No. 26.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note-27 and 38 to the financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There was no amount which was required to be transferred by the Company to the Investor Education and Protection Fund

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

**G. K. Aggarwal**  
Partner  
M. No.086622

Place: New Delhi  
Dated: 6th November, 2015

#### ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date for the year ended 31st March, 2015)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) A major portion of the fixed assets has been physically verified by the Management in accordance with a phased programme of verification adopted by the Company. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.
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. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories. The discrepancies noticed during physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.
3. The Company has given interest bearing unsecured demand loans to companies, covered in the register maintained under section 189 of the Companies Act, 2013.
  - (a) In respect of aforesaid loan, the amount, principal as well as interest accrued thereon is repayable on demand and hence, the question of irregularity on payment of principal and interest does not arise.
  - (b) The aforesaid loan is repayable on demand and therefore, the question of overdue amount does not arise.
4. In our opinion and according to information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventories, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. According to the information given to us, the company has not accepted any deposits under provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014. No order has been passed with respect to section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
6. We have broadly reviewed the books of account and records maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013 in respect of the company's products and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of records with a view to determine whether they are accurate or complete.

7. (a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues. There are no arrears as at 31st March, 2015 for a period of more than six months from the date they become payable.
- (b) According to the information and explanation given to us, there are no dues in respect of Income Tax, Wealth Tax and Cess that have not been deposited with the appropriate authorities to the extent applicable on account of any dispute and the dues in respect of sales tax, duty of excise, Service tax and duty of customs that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are 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 to June 1995	High Court, New Delhi
		658.08	Jan 1999 to Dec.2004	High Court of Punjab & Haryana.
		274.80	Aug 2008 to Dec 2010	CESTAT, Delhi.
		27.19	Jan 2005 to June 2005	CESTAT, Delhi.
		7.57	2000-01	CESTAT, Delhi.
		2,960.81	July 2005 to Dec 2007	CESTAT, Delhi.
		24.60	July 2011 to Sept.2011	CESTAT, Delhi.
		556.69	2006-07	CESTAT, Delhi.
		7.63	1994-95 Excise, Rohtak.	Addl. Commissioner of Central
		59.06	Oct. 2011 to Sept.2012	Commissioner (Appeals), Delhi III, Gurgaon
		206.56	Sept.2012 to July 2013	Commissioner (Appeals), Delhi III, Gurgaon
		1.02	April 2007 to Oct.2007	High Court of Punjab & Haryana.
		4.74	May 2007 to Oct.2007	High Court of Punjab & Haryana.
		5.21	July 2009	High Court of Punjab & Haryana.
The Custom Act, 1962	Custom Duty	60.00	2008-09	CESTAT, Delhi.
		10.00	2012-13	CESTAT, Delhi.
Finance Act, 1994	Service Tax	522.83	Dec.2003 to March 2006	CESTAT, Delhi.
		9.79	2005-06 to 2010-11	Commissioner (Appeals) Gurgaon
The Central Sales Tax, 1956	Sales Tax	3.00	1993-94	High Court of Punjab & Haryana.

- (c) There is no amount payable towards Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under. Hence paragraph 3(vii)(c) of the Order is not applicable to the Company.
8. The Company is in existence for less than five years. Hence, paragraph 3(viii) of the Order with regard to accumulated losses of the Company more than fifty percent of net worth and losses in current financial year and immediately preceding financial year is not applicable to the Company.
9. According to the information and explanations given to us, the Company has not issued any debentures and has not taken any other loan from Banks/Financial Institution. Accordingly, the provision of paragraph 3(ix) of the order is not applicable to the company.
10. According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from banks. (Read with note no 27 (C)).
11. According to the records of the Company examined by us, the Company has not taken any term loan. Accordingly, the provision of paragraph 3(xi) of the order is not applicable to the company.
12. During the course of our examination of the books and records of the Company, and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

**G. K. Aggarwal**  
Partner  
M. No.086622

Place: New Delhi  
Dated: 6th November, 2015



DESCRIPTION	NOTE NO	(₹ in Lacs)	
		As at 31.03.2015	As at 31.03.2014
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUNDS</b>			
Share Capital	2	4,623.71	1.00
Reserves and Surplus	3	55,111.86	(0.23)
		59,735.57	0.77
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	4	-	-
Deferred tax liabilities (net)	5	-	-
Long - term provisions	6	557.27	-
		557.27	-
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	7	85,372.19	-
Trade payables	8	1,31,836.93	-
Other current liabilities	9	2,99,756.93	0.15
Short-term provisions	6	561.29	-
		5,17,527.34	0.15
<b>TOTAL</b>		<b>5,77,820.18</b>	<b>0.92</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	10		
Tangible assets		2,57,368.42	-
Intangible assets		1,034.40	-
Capital work-in-progress		2,897.49	-
Non-current investments	11	41,677.04	-
Long-term loans and advances	12	7,300.76	-
Other non-current assets	13	882.91	-
		3,11,161.02	-
<b>CURRENT ASSETS</b>			
Inventories	14	1,29,620.73	-
Trade receivables	15	92,341.05	-
Cash and Bank Balances	16	214.40	0.80
Short-term loans and advances	12	44,173.39	0.12
Other current assets	17	309.59	-
		2,66,659.16	0.92
<b>TOTAL</b>		<b>5,77,820.18</b>	<b>0.92</b>
<b>Significant Accounting Policies</b>	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 **N.C. AGGARWAL & CO.**  
Chartered Accountants

**(G. K. AGGARWAL)**  
Partner  
Membership No.086622  
FRN 003273N

PLACE: New Delhi  
DATED: 6th November, 2015

**RATAN JINDAL**  
Chairman

**ANKUR AGRAWAL**  
Chief Financial Officer

**ASHOK KUMAR GUPTA**  
Whole Time Director

**BHARTENDU HARIT**  
Company Secretary

DESCRIPTION	NOTE NO	(₹ in Lacs)	
		For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>INCOME</b>			
Revenue from operations (Gross)	18	8,14,279.32	-
Less : Excise Duty on sales		74,135.56	-
Revenue from operations (Net)		7,40,143.76	-
Other income	19	2,261.89	-
<b>TOTAL</b>		<b>7,42,405.65</b>	<b>-</b>
<b>EXPENSES</b>			
Cost of materials consumed	20	4,93,882.75	-
Changes in inventories of finished goods, work in progress and Trading goods	21	(4,462.70)	-
Employee benefits expenses	22	14,768.28	-
Finance costs	23	44,724.10	-
Depreciation and amortization expense	24	29,191.38	-
<b>Other expenses</b>	25		
Manufacturing Expenses		1,41,698.89	-
Administrative Expenses		6,703.19	0.23
Selling expenses		16,264.54	-
<b>TOTAL</b>		<b>7,42,770.44</b>	<b>0.23</b>
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		<b>(364.79)</b>	<b>(0.23)</b>
Exceptional items - Gain/(Loss)	29	1,596.78	-
<b>Profit/ (Loss) before tax</b>		<b>1,231.99</b>	<b>(0.23)</b>
<b>Tax expense</b>			
Provision for Current Tax		258.23	-
MAT Credit Entitlement		(258.23)	-
<b>Profit/(Loss) for the Year</b>		<b>1,231.99</b>	<b>(0.23)</b>
Earnings per share (in ₹)	43		
Basic		0.56	(0.46)
Diluted		0.53	(0.46)
<b>Significant Accounting Policies</b>	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 **N.C. AGGARWAL & CO.**  
Chartered Accountants

**(G. K. AGGARWAL)**  
Partner  
Membership No.086622  
FRN 003273N

PLACE: New Delhi  
DATED: 6th November, 2015

**RATAN JINDAL**  
Chairman

**ANKUR AGRAWAL**  
Chief Financial Officer

**ASHOK KUMAR GUPTA**  
Whole Time Director

**BHARTENDU HARIT**  
Company Secretary

DESCRIPTION	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>A. Cash Inflow / (Outflow) from Operating Activities</b>		
<b>Net Profit/(Loss) Before Tax &amp; Exceptional Items</b>	(364.79)	(0.23)
Adjustment for:		
Depreciation/Amortisation	29,191.38	-
Provision for Doubtful Debts & Advance / Bad Debts	447.53	-
Previous Year Adjustments (Liability Written Back)	(244.11)	-
Mine Development Expenditure Written Off	309.59	-
Finance Cost	44,724.10	-
Interest Income	(1,827.04)	-
(Profit) / Loss on Sale/Discard of Fixed Assets (Net)	300.74	-
<b>Operating Profit Before Working Capital Changes</b>	72,537.40	(0.23)
Adjustment for:		
(Increase) / Decrease in Inventories	10,170.91	-
(Increase) / Decrease in Trade Receivables	(3,698.99)	0.15
(Increase) / Decrease in Loans & Advances	(17,752.27)	(0.12)
Increase / (Decrease) in Liabilities and Provisions	(17,394.38)	-
<b>Cash Inflow from Operating Activities Before Exceptional Items</b>	43,862.68	(0.20)
Exceptional items - Gain/(Loss)	1,596.78	-
Income Tax (Advance) / Refund (Net)	(136.93)	-
<b>Net Cash Inflow from Operating Activities</b>	45,322.53	(0.20)
<b>B. Cash Inflow / (Outflow) from Investing Activities</b>		
Sale/Redemption/(purchase) of Investment (Net)	0.50	-
Loan repaid from Subsidiaries	369.55	-
Capital Expenditure	(5,548.87)	-
Sales Proceeds of Fixed Assets Sold	3,097.53	-
Interest Received	1,707.33	-
<b>Net Cash Outflow from Investing Activities</b>	(373.96)	-

DESCRIPTION	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>C. Cash Inflow / (Outflow) from Financing Activities</b>		
Interest and Finance Charges Paid	(44,742.26)	-
Proceeds from / (Repayment of) Borrowings (net)	(735.97)	-
Issue of Equity Share	4.00	1.00
<b>Net Cash Outflow from Financing Activities</b>	(45,474.23)	1.00
<b>Net Changes in Cash &amp; Cash Equivalents</b>	(525.66)	0.80
<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	214.40	0.80
<b>Cash &amp; Cash Equivalents in terms of Composite Scheme of Arrangement (Refer note no 26)</b>	739.26	
<b>Cash &amp; Cash Equivalents (Opening Balance)</b>	0.80	-
<b>Net Changes in Cash &amp; Cash Equivalents</b>	(525.66)	0.80
Notes :		
1) Cash and cash equivalents includes :-		
Cash, Cheques and Stamps in hand	209.09	0.80
Balance with Banks	5.21	-
Puja & Silver Coins	0.10	-
	214.40	0.80

- 2) The Composite Scheme of Arrangement does not involve any cash flow during the year, hence not been considered in above. (read with note no 26)
- 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 **N.C. AGGARWAL & CO.**  
Chartered Accountants

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**(G. K. AGGARWAL)**  
Partner  
Membership No.086622  
FRN 003273N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

PLACE: New Delhi  
DATED: 6th November, 2015

**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 in India as applicable, accounting standards notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Companies Act, 2013.

**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 under slump sale in the company pursuant to the Composite Scheme of Arrangement are stated at their fair market values based on the valuation report of technical valuer.

**b) Depreciation**

Depreciation on Fixed Assets is provided on Straight Line Method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013. However, in respect of assets vested under slump sale in the company pursuant to the Composite Scheme of Arrangement, depreciation is provided as per their useful lives assessed on the basis of technical evaluation by an expert valuer. The details of estimated life are as under:

Building	ranging from 12 to 50 years
Plant & Machinery	ranging from 3 to 45 years
Electric Installation	ranging from 11 to 24 years

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 statement of profit & loss 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 statement of Profit & Loss. Appropriate adjustment is made in carrying value 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 statement of Profit and Loss 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.

**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 statement of Profit & Loss /Pre-operative expenses, gains are ignored.

**xiii) Government Grants**

Government Grants are recognized when there is a reasonable assurance that the same will be received. Revenue grants are recognized in the Statement of Profit and Loss. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Other capital grants are credited to Capital Reserve.

**xiv) Earnings Per Share**

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

**xv) Leases**
**a) Finance Leases**

Assets acquired under finance leases are recognised as an asset and a liability at the commencement of the lease at the lower of the fair value of the assets and the present value of minimum lease payments. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Assets given under finance leases are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

**b) Operating Leases**

Operating lease receipts and payments are recognized as income or expense in the statement of profit and loss on a straight-line basis over the lease term.

**xvi) Contingent Liabilities**

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

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>2 SHARE CAPITAL</b>		
<b>(A) AUTHORISED</b>		
250,000 Equity Shares of ₹ 2/- each (10,000 Equity Shares of ₹ 10/- each)	5.00	1.00
	5.00	1.00
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
250,000 Equity Shares of ₹ 2/- each (10,000 Equity Shares of ₹ 10/- each) (Refer note no 26)	-	1.00
<b>(B) SHARE CAPITAL SUSPENSE ACCOUNT (Refer note no 26)</b>		
226,375,005 nos. Equity Shares of ₹ 2/-each fully paid up to be issued in terms of Composite Scheme of Arrangement	4,527.50	-
4,810,440 nos. 0.10% Cumulative Compulsory Convertible Preference Shares of ₹ 2/- each fully paid up to be issued in terms of Composite Scheme of Arrangement	96.21	-
<b>TOTAL - SHARE CAPITAL</b>	<b>4,623.71</b>	<b>1.00</b>

(a) **RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR**

	EQUITY SHARES	
	31.03.2015 No. of Shares	31.03.2014 No. of Shares
Shares outstanding at the beginning of the Year (Face Value of ₹ 10/- each)	10,000	-
Add : Equity Shares on split from Face Value of ₹ 10/- to ₹ 2/- each	40,000	-
Add : Equity Shares issued during the year (Face Value of ₹ 10/- each)	-	10,000
Add : Equity Shares issued during the year (Face Value of ₹ 2/- each)	2,00,000	-
Less : Cancellation of Equity Share (Refer note no 26)	2,50,000	-
Shares outstanding at the end of the Year	-	10,000

(b) (i) **TERMS/RIGHTS 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 Depositary 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 2015, 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) **EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER** (Refer note no 26)

NAME OF THE SHAREHOLDER	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% holding	No. of Shares	% holding
Ramesh Kumar	-	-	5,000	50.00%
Mukesh Kumar	-	-	5,000	50.00%
Jindal Stainless Limited*	2,50,000	100.00%	-	-

\* 1500 shares (Nil) held by person as nominee of Jindal Stainless Limited.

(d) No bonus, buy back, issue of share other than in cash in last 5 years except about Share capitals suspense account (read with note no. 26)

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>3 RESERVES AND SURPLUS</b>		
(a) CAPITAL RESERVE		
As per last account	-	-
Add : On cancellation of share capital in terms of Composite Scheme of Arrangement (Refer note no 26)	5.00	-
	5.00	-
(b) SECURITIES PREMIUM RESERVE		
As per last account	-	-
Add : Pursuant to Composite Scheme of Arrangement (Refer note no 26)	53,888.94	-
	53,888.94	-
(c) SURPLUS/(DEFICIT) IN STATEMENT OF PROFIT AND LOSS		
As per Last Account	(0.23)	-
Add : Profit/ (Loss) after Tax for the Year	1,231.99	(0.23)
Less : Depreciation Adjusted to Retained Earnings (Refer note no. 32)	(13.84)	-
<b>Net Surplus/(Deficit) in the Statement of Profit and Loss</b>	<b>1,217.92</b>	<b>(0.23)</b>
<b>TOTAL - RESERVES AND SURPLUS</b>	<b>55,111.86</b>	<b>(0.23)</b>

Note DESCRIPTION No.	(₹ in Lacs)			
	Non -Current Portion		Current Maturity	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>4 LONG-TERM BORROWINGS</b>				
<b>UNSECURED BORROWINGS</b>				
LONG TERM MATURITIES OF FINANCE LEASE OBLIGATIONS	-	-	184.57	-
<b>TOTAL - UNSECURED</b>	-	-	184.57	-
Less : Amount Disclosed under the head Other Current Liabilities	-	-	184.57	-
<b>TOTAL - LONG TERM BORROWINGS</b>	-	-	-	-

Note DESCRIPTION No.	Deferred Tax Liability/Asset as at 31.03.2014	(₹ in Lacs)	
		Charge/( Credit ) for the Year	Deferred Tax Liability/Asset as at 31.03.2015
<b>5 DEFERRED TAX LIABILITY (NET)</b>			
(a) DEFERRED TAX LIABILITY			
Difference between book & tax depreciation	-	9,041.69	9,041.69
<b>Total Deferred Tax Liability</b>	-	9,041.69	9,041.69
(b) DEFERRED TAX ASSETS			
Disallowance under Income Tax Act	-	1,425.66	1,425.66
Brought forward loss/Unabsorbed Depreciation	-	7,616.03	7,616.03
<b>Total Deferred Tax Assets</b>	-	9,041.69	9,041.69
<b>DEFERRED TAX LIABILITY (NET)</b>	-	-	-

- considering the prudence & virtual certainty, no deferred tax assets (net) have been created.

Note DESCRIPTION No.	Long-Term		Short-Term	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>6 PROVISIONS</b>				
For Employee Benefits	557.27	-	439.99	-
For Taxation [Net of prepaid taxes of ₹ 136.93 Lacs (₹ Nil)]	-	-	121.30	-
<b>TOTAL - PROVISIONS</b>	557.27	-	561.29	-

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>7 SHORT TERM BORROWINGS</b>		
<b>SECURED</b>		
(a) Working Capital Facilities from Bank *	48,187.97	-
(b) Buyer Credit in Foreign Currency - Against Working Capital *	37,184.22	-
<b>TOTAL - SHORT TERM BORROWINGS</b>	85,372.19	-

#### Secured Borrowings

\* Working Capital Facilities of Jindal Stainless Limited continue to have security on the assets transferred in pursuant to Composite Scheme of Arrangement (Read with note no 26).

\* the amount has been allocated by Jindal Stainless Limited pursuant to the Composite Scheme of Arrangement (Read with note no 26)

- (a) Working Capital Facilities are secured by way of hypothecation and/or pledge of current assets namely finished goods, 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 goods, 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.

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>8 TRADE PAYABLES</b>		
Dues to Micro and Small enterprises	203.53	-
Dues to other than Micro and Small enterprises	1,31,633.40	-
<b>TOTAL TRADE PAYABLES</b>	<b>1,31,836.93</b>	-

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>9 OTHER CURRENT LIABILITIES</b>		
Current maturities of finance lease obligations	184.57	-
Interest accrued but not due on borrowings	475.21	-
Advance from Customers	4,722.53	-
Security Deposits from Agents/Dealers/Others	70.15	-
Creditors for Capital Expenditure	846.27	-
Amount payable in terms of Composite Scheme of Arrangement @	2,60,000.00	-
Other Outstanding Liabilities *	33,458.20	0.15
<b>TOTAL - OTHER CURRENT LIABILITIES</b>	<b>2,99,756.93</b>	0.15

@ Refer note no 26

\* Includes statutory dues.

Note D E S C R I P T I O N No	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK				
	AS AT 01.04.2014	Trf in terms of Composite Scheme of Arrangement @	ADDITIONS	SALE/ ADJUSTMENT	AS AT 31.03.2015	AS AT 01.04.2014	Trf in terms of Composite Scheme of Arrangement @	DURING THE YEAR	TRF TO RETAINED EARNING	ON SALE/ ADJUSTMENT	AS AT 31.03.2015	AS AT 31.03.2014
<b>10 FIXED ASSETS #</b>												
<b>A TANGIBLE ASSETS</b>												
Free Hold Land	-	31,812.00	-	-	31,812.00	-	-	-	-	-	-	31,812.00
Buildings	-	35,413.44	432.06	649.48	35,196.02	-	20.32	2,309.82	2.30	7.71	2,324.73	32,871.29
Plant and Machinery *	-	2,17,199.28	3,952.63	3,344.31	2,17,807.60	-	2,272.82	25,439.11	0.26	632.68	27,079.51	1,90,728.09
Electric Installation	-	405.05	32.31	14.61	422.75	-	234.73	21.82	4.40	9.70	251.25	171.50
Vehicles	-	778.15	957.62	41.64	1,694.13	-	99.57	203.26	0.96	1.71	302.08	1,392.05
Furniture and Fixtures	-	270.95	9.65	-	280.60	-	27.04	59.34	2.89	-	89.27	191.33
Office equipment	-	212.17	13.17	0.16	225.18	-	7.78	12.37	3.03	0.16	23.02	202.16
<b>TOTAL TANGIBLE ASSETS</b>	-	<b>2,86,091.04</b>	<b>5,397.44</b>	<b>4,050.20</b>	<b>2,87,438.28</b>	-	<b>2,662.26</b>	<b>28,045.72</b>	<b>13.84</b>	<b>651.96</b>	<b>30,069.86</b>	<b>2,57,368.42</b>
<b>PREVIOUS YEAR</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>B INTANGIBLE ASSETS **</b>												
Technical Know How	-	111.26	-	111.26	-	-	-	111.26	-	111.26	-	-
Goodwill @	-	-	2,068.81	-	2,068.81	-	-	1,034.41	-	-	1,034.41	1,034.41
<b>TOTAL INTANGIBLE ASSETS</b>	-	<b>2,180.07</b>	-	<b>111.26</b>	<b>2,068.81</b>	-	-	<b>1,145.67</b>	-	<b>111.26</b>	<b>1,034.41</b>	<b>1,034.41</b>
<b>PREVIOUS YEAR</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>CAPITAL WORK IN PROGRESS</b>												
	-	-	-	-	-	-	-	-	-	-	-	2,897.49

**NOTE**

\* Include Plant & machinery acquired on Lease amounting to ₹ 1,018.52 Lacs (₹ Nil) and depreciation thereon during the year ₹ 79.40 Lacs (₹ Nil)

\*\* Intangible Assets are amortised as under:

Technical Know How	10 Years
Goodwill	2 Years

@ Refer note no 26

# All assets trf in terms of Composite Scheme of Arrangement would continue to have security in favour of lenders of Jindal Stainless Limited.



Note DESCRIPTION No.	As at 31.03.2015		As at 31.03.2014	
	Nos.	Face Value (₹) Amount	Nos.	Face Value (₹) Amount
<b>11 INVESTMENTS</b>				
<b>NON - CURRENT INVESTMENTS</b>				
<b>LONG TERM INVESTMENTS - AT COST LESS PROVISION</b>				
<b>A Equity Shares Fully Paid Up of Subsidiary Company - Trade Unquoted</b>				
Jindal Stainless Steelway Limited @ #	1,40,61,667	10 2,581.25	-	-
JSL Architecture Limited @ #	41,00,100	10 410.01	-	-
JSL Lifestyle Limited #	1,77,95,600	10 2,051.39	-	-
Green Delhi BQS Limited #	51,000	10 5.10	-	-
JSL Media Limited #	49,970	10 5.00	-	-
JSL Logistics Limited (Wholly owned subsidiary) #	50,000	10 5.00	-	-
<b>TOTAL (A)</b>		<b>5,057.75</b>		<b>-</b>
<b>B Equity Shares pending allotment</b>				
Jindal Stainless Limited (in terms of Composite Scheme of Arrangement (Refer note no 26))		<b>36,618.67</b>		<b>-</b>
<b>TOTAL (B)</b>		<b>36,618.67</b>		<b>-</b>
<b>C Govt./Semi Govt. Securities - Non Trade</b>				
National Savings Certificate *		<b>0.62</b>		<b>-</b>
<b>TOTAL (C)</b>		<b>0.62</b>		<b>-</b>
<b>TOTAL NON CURRENT INVESTMENT</b>		<b>41,677.04</b>		<b>-</b>

@ 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.

# transferred from Jindal Stainless Limited pursuant to the Scheme (note no 26).

Note DESCRIPTION No.	(₹ in Lacs)			
	Long-Term		Short-Term	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>12 LOANS AND ADVANCES</b>				
(Unsecured, Considered good unless otherwise stated)				
Advance Recoverable in Cash or in kind or the value to be received *	32.82	-	34,320.33	0.12
Capital Advances	190.71	-	-	-
Security Deposits [Net of Provision of ₹ 54.00 Lacs (₹ Nil)]	2,578.57	-	981.16	-
Loans & Advances to Related Parties [Net of Provision of ₹ 22.30 Lacs (₹ Nil)]	4,498.66	-	688.32	-
MAT Credit Entitlement	-	-	258.23	-
Balance with Excise and Sale tax Authorities	-	-	7,925.35	-
<b>TOTAL - LOANS AND ADVANCES</b>	<b>7,300.76</b>	<b>-</b>	<b>44,173.39</b>	<b>0.12</b>

\* include ₹ 22,672.34 Lacs receivable from Jindal Stainless Limited due to implementation of Composite Scheme of Arrangement.  
(Refer note no.26)

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>13 OTHER NON CURRENT ASSETS</b>		
Mines Development Expenses	882.91	-
<b>TOTAL - OTHER NON CURRENT ASSETS</b>	<b>882.91</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>14 INVENTORIES</b>		
(As taken, valued and certified by the Management)		
(valued at lower of cost and net realizable value unless otherwise stated )		
Raw Materials [Including material in Transit ₹ 14,085.96 Lacs ( ₹ Nil)]	28,104.81	-
Work in Progress	33,875.23	-
Finished Goods	53,929.41	-
Trading Goods	34.84	-
Store and Spares [Including material in Transit ₹ 663.12 Lacs ( ₹ Nil)]	11,023.68	-
Scrap (at estimated realizable value)	2,652.76	-
<b>TOTAL - INVENTORIES</b>	<b>1,29,620.73</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>15 TRADE RECEIVABLE</b>		
(Unsecured, Considered goods unless otherwise stated)		
(a) EXCEEDING SIX MONTHS FROM THE DUE DATE OF PAYMENT		
Unsecured, Considered good	11,257.07	-
Doubtful	846.65	-
Less : Provision for doubtful receivable	846.65	-
	11,257.07	-
(b) OTHERS	81,083.98	-
<b>TOTAL - TRADE RECEIVABLE</b>	<b>92,341.05</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>16 CASH AND CASH EQUIVALENTS</b>		
Balances with Banks	5.21	-
Cheques in hand	195.18	-
Cash in Hand	13.73	0.80
Stamps in Hand	0.18	-
Puja and Silver Coins	0.10	-
<b>TOTAL - CASH AND CASH EQUIVALENTS</b>	<b>214.40</b>	<b>0.80</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>17 OTHER CURRENT ASSETS</b>		
(Unsecured, Considered good unless otherwise stated)		
Mines Development Expenses	309.59	-
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>309.59</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>18 REVENUE FROM OPERATIONS</b>		
(a) <b>SALE OF PRODUCTS</b>		
Finished Goods	8,05,664.61	-
Semi - Finished Goods	288.33	-
Export Benefits	5,365.16	-
	<b>8,11,318.10</b>	-
(b) <b>SALE OF SERVICES</b>		
Job Charges received	1,131.55	-
	<b>1,131.55</b>	-
(c) <b>OTHER OPERATING REVENUE</b>		
Sale of Gases	83.54	-
Miscellaneous Income	1,746.13	-
	<b>1,829.67</b>	-
<b>REVENUE FROM OPERATIONS (GROSS)</b>	<b>8,14,279.32</b>	-
<b>DETAILS OF PRODUCT SOLD</b>		
(i) <b>FINISHED GOODS</b>		
Hot Rolled Products	3,79,620.61	-
Cold Rolled Products	4,16,261.89	-
Coin Blanks	6,536.26	-
Ferro Alloys	50.13	-
Others	3,195.72	-
	<b>8,05,664.61</b>	-
(ii) <b>SEMI FINISHED GOODS</b>		
Hot Rolled Products	288.33	-
	<b>288.33</b>	-
<b>TOTAL - SALE OF PRODUCTS</b>	<b>8,05,952.94</b>	-

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>19 OTHER INCOME</b>		
(a) INTEREST INCOME ON		
Others	343.05	-
Debtors	1,483.99	-
	<b>1,827.04</b>	-
(b) OTHER NON-OPERATING INCOME (NET)	434.85	-
<b>TOTAL - OTHER INCOME</b>	<b>2,261.89</b>	-

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>20 COST OF MATERIAL CONSUMED</b>		
Raw Material Consumed	4,93,882.75	-
<b>TOTAL COST OF MATERIAL CONSUMED</b>	<b>4,93,882.75</b>	-
<b>DETAIL OF RAW-MATERIAL CONSUMED</b>		
Steel Scrap	2,42,388.71	-
Ferro Alloys	1,92,204.81	-
Copper Scrap	19,233.66	-
Hot Rolled Products	24,365.11	-
Chrome Ore	1,590.61	-
Coal/Coke	4,733.90	-
Others	9,365.95	-
<b>TOTAL - DETAIL OF RAW-MATERIAL CONSUMED</b>	<b>4,93,882.75</b>	-

CONSUMPTION OF RAW MATERIAL	31.03.2015		31.03.2014	
	% age	Amount	% age	Amount
Imported	44.28	2,18,666.67	-	-
Indigenous	55.72	2,75,216.08	-	-
<b>TOTAL</b>	<b>100.00</b>	<b>4,93,882.75</b>	-	-



Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS</b>		
<b>OPENING STOCK</b> (trf in terms of Composite Scheme of Arrangement (Refer note no 26 (1) (a) & (b)))		
Finished Goods	48,068.40	-
Work in Progress	34,428.32	-
Scrap	2,511.07	-
Trading Goods	34.84	-
<b>TOTAL OPENING STOCK</b>	<b>85,042.63</b>	<b>-</b>
<b>CLOSING STOCK</b>		
Finished Goods	53,929.41	-
Work in Progress	33,875.23	-
Scrap	2,652.76	-
Trading Goods	34.84	-
<b>TOTAL CLOSING STOCK</b>	<b>90,492.24</b>	<b>-</b>
Excise Duty on account of increase/(decrease) in Stock of Finished Products	986.91	-
<b>TOTAL - CHANGES IN INVENTORIES</b>	<b>(4,462.70)</b>	<b>-</b>

DETAILS OF INVENTORIES	31.03.2015	31.03.2014 / 01.04.2014	01.04.2013
<b>FINISHED GOODS</b>			
Hot Rolled Products	19,520.81	12,211.48	-
Cold Rolled Products	27,889.65	30,062.21	-
Ferro Alloys	1,992.58	1,955.60	-
Others	4,526.37	3,839.11	-
<b>TOTAL</b>	<b>53,929.41</b>	<b>48,068.40</b>	<b>-</b>
<b>WORK IN PROGRESS</b>			
Hot Rolled Products	27,784.33	26,292.69	-
Ferro Alloys	2,129.13	4,269.53	-
Others	3,961.77	3,866.10	-
<b>TOTAL</b>	<b>33,875.23</b>	<b>34,428.32</b>	<b>-</b>
<b>TRADING GOODS</b>			
Others	34.84	34.84	-
<b>TOTAL</b>	<b>34.84</b>	<b>34.84</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>22 EMPLOYEE BENEFITS EXPENSES ( read with note no. 39 )</b>		
Salaries, Wages, Bonus and Other benefits	13,355.89	-
Contribution to provident and other funds	707.86	-
Staff Welfare Expenses	704.53	-
<b>TOTAL - EMPLOYEE BENEFITS EXPENSES</b>	<b>14,768.28</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>23 FINANCE COSTS</b>		
Interest Expenses	41,030.45	-
Other Borrowing Costs	3,693.65	-
<b>TOTAL - FINANCE COSTS</b>	<b>44,724.10</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>24 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation on Fixed Assets	28,045.72	-
Amortization of Intangible assets	1,145.66	-
<b>TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES</b>	<b>29,191.38</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>25 OTHER EXPENSES</b>		
(a) <b>MANUFACTURING EXPENSES</b>		
Consumption of Stores and Spare parts	44,901.97	-
Power and Fuel	83,623.55	-
Labour Processing & Transportation Charges	5,790.26	-
Repairs to buildings	192.66	-
Repairs to plant & machinery	1,739.30	-
Job work expenses	1,599.12	-
Other Manufacturing Expenses	3,852.03	-
	<b>1,41,698.89</b>	
(b) <b>ADMINISTRATIVE EXPENSES</b>		
Insurance	829.92	-
Rent	143.40	-
Rates and Taxes	1,118.31	-
Legal and Professional	1,514.12	-
Postage, Telegram, Telex and Telephone	238.13	-
Printing & Stationary	323.30	-
Travelling & Conveyance	341.14	-
Vehicle Upkeep and Maintenance	489.93	-
Auditor's Remuneration	38.04	0.15
Donation	53.84	-
Mine Development Expenditure w/off	309.59	-
Previous year adjustments (net)	77.85	-
Net (Gain)/Loss in sale of fixed assets	300.74	-
Miscellaneous Expenses	924.88	0.08
	<b>6,703.19</b>	<b>0.23</b>

Note DESCRIPTION No.	(₹ in Lacs)			
	For the Year ended 31.03.2015	For the Year ended 31.03.2014		
<b>(c) SELLING EXPENSES</b>				
Discount & Rebate	3,846.68	-		
Freight & Forwarding Expenses	7,465.77	-		
Commission on Sales	2,873.28	-		
Other Selling Expenses	1,528.80	-		
Provision for Doubtful Debts / Advances	424.63	-		
Bad Debts	46.56	-		
Advertisement & Publicity	78.82	-		
	16,264.54	-		
<b>TOTAL - OTHER EXPENSES</b>	<b>1,64,666.62</b>	<b>0.23</b>		
<b>PREVIOUS YEAR ADJUSTMENTS (NET) INCLUDES :</b>				
Income relating to earlier years	(60.85)	-		
Liability no longer required	(244.11)	-		
Expenses relating to earlier years	382.81	-		
	77.85	-		
<b>NET (GAIN)/LOSS ON SALE OF FIXED ASSETS INCLUDES :</b>				
Gain on Sale	(435.22)	-		
Loss on Sale	14.56	-		
Loss on Discard	721.40	-		
	300.74	-		
<b>CONSUMPTION OF STORES &amp; SPARES</b>	<b>31.03.2015</b>		<b>31.03.2014</b>	
	% age	Amount	% age	Amount
Imported	33.41	15,003.74	-	-
Indigenous	66.59	29,898.23	-	-
<b>TOTAL</b>	<b>100.00</b>	<b>44,901.97</b>	<b>-</b>	<b>-</b>

## 26. Composite Scheme of Arrangement

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

- a) Demerger of the Demerged Undertakings (as defined in the scheme) of JSL comprising of the Ferro Alloys Division located at Jindal Nagar, Kothavalasa (AP) and the Mining Division of JSL and vesting of the same in the Company w.e.f. appointed date i.e. close of business hours before midnight of March 31, 2014. (Section I of the Scheme)
- b) Transfer of the Business undertaking 1 (as defined in the scheme) of JSL comprising of the Stainless Steel Manufacturing Facilities of JSL located at Hisar, Haryana and vesting of the same with the Company on Going Concern basis by way of Slump Sale along with investments in the domestic subsidiaries (listed in Part B of schedule 2 of the Scheme) of JSL w.e.f. from appointed date i.e. close of business hours before midnight of 31st March, 2014. (Section II of the Scheme)
- c) Transfer of the Business undertaking 2 (as defined in the scheme) of JSL comprising, inter-alia, of the Hot Strip Plant of JSL located at Odisha and vesting of the same in Jindal United Steel Limited on Going Concern basis by way of Slump Sale w.e.f. appointed date i.e. close of business hours before midnight of March 31, 2015. (Section III of the Scheme)
- d) Transfer of the Business Undertaking 3 (as defined in the Scheme) of JSL comprising, inter-alia, of the Coke Oven Plant of JSL Located at Odisha and vesting of the same with Jindal Coke Limited on Going Concern basis by way of Slump Sale w.e.f. appointed date i.e. close of business hours before midnight of March 31, 2015. (Section IV of the Scheme)

Section I and Section II of the Scheme became effective on 1st November, 2015, operative from the said appointed date (as stated in sub-para (a) and (b) above) and Section III and Section IV (for section III and IV appointed date as stated in sub-para (c) and (d) above) of the Scheme will become effective on receipt of necessary approvals for transfer/grant of the right to use in the land on which Hot Strip & Coke Oven Plants are located as specified in the Scheme.

2. Pursuant to the Section I and Section II of the Scheme becoming effective:

- a) Demerged Undertakings and Business undertaking 1 has been transferred to and vested in the Company with effect from the said Appointed Date; accordingly the same has been given effect to in these accounts.
- b) The surplus of ₹ 53,888.94 Lacs of assets over the liabilities pertaining to the Demerged Undertakings transferred to and vested in the Company and the paid up face value of the equity shares & CCCPS issued by JSL has been credited in Security Premium Account.
- c) The company is to issue equity shares/CCCPS on a record date to be fixed as specified in the Scheme for allotment of (i) equity shares having face value of ₹ 2/- each credited as fully paid up; and (ii) CCCPS having face value of ₹ 2/- each credited as fully paid up of the Company to the equity shareholders and holders of CCCPS respectively of JSL in the ratio one equity shares/CCCPS of the company for every one equity shares/CCCPS held in JSL. Pending allotment the same has been shown as "Share Capital Suspense Account".
- d) Share capital of the Company comprising of 250000 equity shares having face value of ₹ 2 each, 100% held by JSL deemed to has been cancelled and transferred to capital reserve; which will give effect immediately after issuance of the shares by the Company to the Shareholders of JSL.
- e) The Authorised share capital of the company is to be enhanced to ₹ 50,00,00,000 (Rupees Fifty Crore) divided into 24,00,00,000 (Twenty Four Crore) equity shares having face value of ₹ 2 (Two) each and 1,00,00,000 (One Crore) preference shares having face value of ₹ 2 (Rupees Two) each.
- f) Business Undertaking 1 (as defined in sub-para (b) of 1 above) has been transferred to and vested in the Company at a lump sum consideration of ₹ 280,979.52 Lacs; out of this ₹ 260,000.00 lacs shall be paid to JSL and ₹ 20,979.52 Lacs has been adjusted against sum of ₹ 57,598.19 lacs lying receivable from JSL in the books of the Company.

Against the balance amount of ₹ 36,618.67 Lacs, JSL is to issue equity shares to the company at a price to be determined with the record date to be fixed as specified in the Scheme. Pending allotment the same has been shown as "Equity Shares pending allotment" under Long Term Investments.

- g) On transfer of Business Undertaking 1, the difference between the fair values of assets and liabilities transferred to and vested in the Company and the lump sum consideration to be paid as stated above amounting to ₹ 2,068.81 Lacs has been debited to Goodwill Account.
- h) In terms of the Scheme, all the business and activities of Demerged Undertakings and Business Undertaking 1 carried on by JSL on and after the appointed date, as stated above, are deemed to have been carried on behalf of the Company. Accordingly, necessary effects have been given in these accounts on the Scheme becoming effective.

- i) The necessary steps and formalities in respect of transfer of and vesting in the properties, licenses, approvals and investments in favor of the Company and modification of charges etc. are under implementation. Further transfer of and vesting in the Mining Rights to Demerged Undertakings (as referred in para 1 (a) above) is subject to necessary approvals of the concerned authorities.
3. The financial statements of the Company for the year ended 31st March, 2015 were earlier approved by the Board of Directors at their meeting held on 25th May, 2015 on which the Statutory Auditors of the Company had issued their report dated 25th May, 2015. These financial statements have been reopened and revised to give effect to the Scheme as stated in note 1 & 2 herein above.
4. Current year's figures are not comparable with those of the previous year for the reasons as stated in note 1 & 2 herein above.

27.

		(₹ in Lacs)	
A	Contingent Liabilities not provided for in respect of :	As at 31.03.2015	As at 31.03.2014
a)	Counter Guarantee given to Company's Bankers for the Guarantee given by them on behalf of Company	1,160.95	-
b)	Letter of Credit outstanding	48,851.81	-
c)	Bills discounted with Banks	42,470.80	-
d)	i) Sale Tax demands against which company preferred appeals.	3.00	-
	ii) Excise Duty/Custom/Service Tax Show Cause Notices/ Demands against which company has preferred appeals.	8,208.56	-
	iii) Claims and other liabilities against the company not acknowledged as debt.	7,811.31	-
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	-
f)	Demand made by Dy. Director of Mines, Jajpur Road Circle, Orissa against which company has preferred appeal.	147.64	-
B	Guarantee given to custom authorities for import under EPCG Scheme. (Custom duty saved/to be saved as on 31st March, 2015 ₹ 435.39 Lacs (₹ NIL)	2,457.39	-
C	Letter of Comfort to banks against credit facilities/ financial assistance availed by subsidiaries.	19,645.61	-

(Read with note no. 26)

28. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 2,391.05 Lacs (₹ NIL).
29. Exceptional items includes Gain/(Loss) (net) of ₹ 620.35 Lacs (₹ NIL) on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of ₹ 22.32 Lacs (₹ NIL) upon marked to market of derivatives contracts, gain/(loss) of ₹ 998.75 Lacs (₹ NIL) on forward cover cancellation.
30. A Scheme of Amalgamation between JSL Architecture Limited (Transferor Company) with JSL Lifestyle Ltd. (Transferee Company) was filed with the Hon'ble High Court of Punjab and Haryana at Chandigarh entailing transfer of all the assets and liabilities including reserves of the Transferor Company at existing carrying amount w.e.f. appointed date i.e. 1st April, 2014. The Transferee Company, in consideration, would issue 76 fully paid up Equity Shares of ₹ 10 each for Every 100 Equity Shares of ₹ 10 each held by the shareholders of Transferor Company. The Scheme is has been approved by the Hon'ble High Court vide its oral judgment dated 30th October, 2015. Upon receipt of the certified true copy of the order, both the Companies shall file the same with the office of the Registrar of Companies, NCT of Delhi and Haryana and the Scheme shall become effective from the date of such filing.
31. The company had received a notice during the year 2012-2013 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.



32. Pursuant to the requirements of Schedule II of the Companies Act, 2013, the Company has, effective April 1, 2014, reviewed and revised the estimated useful lives of its fixed assets related to Vizag and Mine Divisions. Consequent thereto, the depreciation charge for the year ended on 31st March, 2015 is lower by ₹ 147.59 Lacs. Further based on transitional provision of Schedule II, an amount of ₹ 13.84 Lacs has been adjusted against the retained earnings.
33. 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 31.03.2015	As at 31.03.2014
1.	Principal amount due outstanding	203.53	-
2.	Interest due on (1) above and unpaid	-	-
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.

34. (A) Certain balances of trade receivable, loan & advance, trade payable and other liabilities are subject to confirmation and/or reconciliation.
- (B) Although the book value\ fair value of certain unquoted investments amounting to ₹ 420.11 Lacs (₹ NIL), as reflected in Note no 11, 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 ₹4,498.66 Lacs (₹ NIL) where the subsidiary companies has accumulated losses\negative net worth. In view of the long term involvement of the company (read with note (B) above) in the said companies no provision has been considered necessary.

35. Advance recoverable in cash or in kind or for value to be received includes Interest free loan to employees amounting to ₹ 15.27 Lacs (₹ NIL) in the ordinary course of business and as per employee service rules of the company. Maximum balance outstanding during the year is ₹ 24.38 Lacs (₹ NIL).
36. Research and Development expenses for the year amounting to ₹ 157.94 Lacs (₹ NIL) on account of revenue expenditure charged/debited to respective heads of accounts.
37. a) Derivative contracts entered into by the company and outstanding as on 31st March, 2015 for hedging currency risks:

Nature of Derivative	Type	As at 31.03.2015			As at 31.03.2014		
		No. of Contracts	Foreign Currency (Million)	Amount	No. of Contracts	Foreign Currency (Million)	Amount
<b>Forward Covers</b>							
USD/INR	Sale	50	80.332	50,211.44	-	-	-
EURO/USD	Sale	47	63.198	42,393.58	-	-	-
USD/INR	Buy	260	119.938	74,955.03	-	-	-

Note: INR equivalent values have been calculated at the year end exchange rates 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, 2015 is as under:

Nature	As at 31.03.2015		As at 31.03.2014	
	Foreign Currency (Million)	Amount	Foreign Currency (Million)	Amount
<b>Account Payable</b>				
USD	18.749	11,718.87	-	-
EURO	1.431	959.94	-	-
CAD	0.024	11.82	-	-

38. 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 which has been challenged 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 vires 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.

39. a) During the year, the Company has recognized the following amounts in the Statement of Profit and Loss (refer note no. 22 & note no. 26):

	(₹ in Lacs)
	For the year ended 31.03.2015
<b>Defined Contribution Plans</b>	
Employer's Contribution to Provident Fund	237.68 (-)
Employer's Contribution to ESI	31.60 (-)
<b>Defined Benefit Plans</b>	
Employer's Contribution to Provident Fund	306.72 (-)

	(₹ in Lacs)	
	Gratuity Funded	Leave Encashment Unfunded
Current service cost	147.55 (-)	128.89 (-)
Interest cost	178.52 (-)	42.89 (-)
Expected Return on plan assets	(173.47) (-)	- (-)
Actuarial (gain)/loss	296.87 (-)	95.49 (-)
Curtailment and settlement cost/ Credit	- (-)	- (-)
Net Cost	449.47 (-)	267.27 (-)
Actual Return on Plan Assets	166.63 (-)	N.A. N.A.
<b>b) Change in Benefit Obligation</b>		
Present value of obligation as at the beginning of the year	2,026.15 (-)	548.43 (-)
Current service cost	147.55 (-)	128.89 (-)
Interest cost	178.52 (-)	42.89 (-)
Benefits paid	(128.34) (-)	(184.31) (-)
Curtailment and Settlement cost	- (-)	- (-)
Actuarial (gain)/loss	290.89 (-)	95.49 (-)
Present value of obligation as at the end of year	2,514.77 (-)	641.39 (-)
<b>c) Change in Plan Assets :</b>		
Fair value of plan assets as at the beginning of the year	2,059.72 (-)	- (-)
Expected return on plan assets	173.47 (-)	- (-)
Actuarial gain/(loss)	(5.98) (-)	- (-)
Employer contribution	60.03 (-)	- (-)
Settlement cost	- (-)	- (-)
Benefits paid	(128.34) (-)	- (-)
Fair value of plan assets as at the end of the year	2,158.90 (-)	- (-)
Liability recognized in Balance Sheet	355.87 (-)	641.39 (-)

	Gratuity	
d) Composition of plan assets as a percentage of total plan assets:	₹ in Lacs	%
Insurer Managed Fund	2,425.18 (-)	100% (-)
<b>Total</b>	<b>2,425.18</b> <b>(-)</b>	<b>100%</b> <b>(-)</b>
e) The assumptions used to determine the benefit obligations are as follows:	Gratuity	Leave Encashment
Discount rate	7.90%-8.00% (-)	7.90%-8.00% (-)
Expected Rate of Return on Plan Assets	8.75%-9.00% (-)	N.A. N.A.
Salary Escalation	5.25%-5.50% (-)	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, 2015 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 31.03.2015
Rate of Discounting	7.88% (-)
Rate of return on assets	8.94% (-)
Guaranteed Rate of Return	8.75% (-)

#### 40. 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.

	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Lease Interest	34.60	-

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:

	As at 31.03.2015	As at 31.03.2014
Not later than one year	184.57	-
Later than one year and not later than five years	-	-
Later than five years	-	-

#### 41 Segment Reporting

##### i) Information about Business Segment ( for the year 2014-15 )

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

##### ii) Secondary Segments ( Geographical Segment )

Description	2014-15		Total
	Within India	Outside India	
1 Revenue from Sale/Services	6,78,604.02	1,33,845.63	8,12,449.65
	(-)	(-)	(-)
2 Segment Assets *	4,84,168.40	24,477.86	5,08,646.26
	(-)	(-)	(-)
3 Capital Expenditure incurred during the year *	5,548.86	-	5,548.86
	(-)	(-)	(-)

\* The Company's operating facilities are located in India

#### 42 Related Party Transactions

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

a) Subsidiary Companies :		
1	Jindal Stainless Steelway Limited	w.e.f. 31.03.2014
2	JSL Lifestyle Limited	w.e.f. 31.03.2014
3	JSL Architecture Limited	w.e.f. 31.03.2014
4	Green Delhi BQS Limited	w.e.f. 31.03.2014
5	JSL Media Limited	w.e.f. 31.03.2014
6	JSL Logistics Limited	w.e.f. 31.03.2014
b) Holding Company :		
1	Jindal Stainless Limited	Become & Ceased (Note No. 26)

**B Transactions:**

Description	(₹ in Lacs)		
	For the Year ended		For the Year ended
	31.03.2015	31.03.2014	Subsidiary
	Subsidiary	Holding Company	Subsidiary
<b>Purchase of Goods</b>	3,120.73	-	-
Jindal Stainless Steelway Limited	2,199.43	-	-
JSL Lifestyle Limited	422.34	-	-
JSL Architecture Limited	498.96	-	-
<b>Sale of Goods</b>	77,049.58	-	-
Jindal Stainless Steelway Limited	71,528.96	-	-
Others	5,520.62	-	-
<b>Job Work Charges Paid</b>	896.61	-	-
Jindal Stainless Steelway Limited	876.16	-	-
Others	20.45	-	-
<b>Loans &amp; Advances Recovered</b>	369.55	-	-
JSL Logistics Limited	369.55	-	-
<b>Allotment of Equity Shares</b>	-	4.00	-
Jindal Stainless Limited	-	4.00	-
<b>Rent Paid</b>	15.67	-	-
Jindal Stainless Steelway Limited	15.67	-	-
<b>Job Charges Received</b>	431.27	-	-
Jindal Stainless Steelway Limited	430.84	-	-
Others	0.42	-	-
<b>Sale of Assets</b>	5.17	-	-
Jindal Stainless Steelway Limited	5.17	-	-
<b>Interest Received</b>	305.96	-	-
JSL Lifestyle Limited	87.31	-	-
JSL Architecture Limited	203.52	-	-
Green Delhi BQS Limited *	-	-	-
Others	15.13	-	-
<b>Interest Paid</b>	6.22	-	-
JSL Architecture Limited	6.22	-	-
<b>Lease Interest Paid</b>	34.60	-	-
Jindal Stainless Steelway Limited	34.60	-	-



(₹ in Lacs)

Description	For the Year ended		For the Year ended
	Subsidiary	Holding Company	31.03.2014
<b>Sharing of Exp. Reimbursed/to be Reimbursed</b>	<b>48.98</b>	-	-
Jindal Stainless Steelway Limited	41.69	-	-
JSL Architecture Limited	7.11	-	-
Others	0.19	-	-
<b>Sharing of Exp Recovered/to be Recovered</b>	<b>41.52</b>	-	-
JSL Lifestyle Limited	6.15	-	-
JSL Architecture Limited	6.25	-	-
Jindal Stainless Steelway Limited	29.12	-	-
<b>Outstanding Balance</b>			
<b>Letter of Comfort Given</b>	<b>19,645.61</b>	-	-
Jindal Stainless Steelway Limited	18,081.00	-	-
JSL Architecture Limited	1,564.61	-	-
<b>Loans &amp; Advances</b>	<b>5,530.01</b>	-	-
JSL Architecture Limited	1,717.81	-	-
Green Delhi BQS Limited	3,057.85	-	-
JSL Media Limited	558.70	-	-
Others	195.65	-	-
<b>Receivables</b>	<b>15,314.12</b>	-	-
Jindal Stainless Steelway Limited	10,446.64	-	-
JSL Architecture Limited	3,828.50	-	-
Others	1,038.98	-	-
<b>Payables</b>	<b>259.30</b>	-	-
Jindal Stainless Steelway Limited	222.81	-	-
JSL Architecture Limited	28.65	-	-
Others	7.84	-	-

**Note :-**

- \* 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 (₹ Nil).

43 Earning Per Share ( EPS ) computed in accordance with Accounting Standard 20 " Earning Per Share".  
(Read with note no 26)

	( ₹ in Lacs )	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Net Profit/(Loss) after Tax as per P & L A/c	1,231.99	(0.23)
Weighted Average No. of Equity Shares for Basic EPS	21,84,79,115	50,000
Add : Weighted average of Potential equity shares converted during the year	78,95,890	-
Add : Weighted average of Potential equity shares outstanding as on 31st March, 2015	48,10,440	-
Weighted average No. of Equity Shares for Diluted EPS	23,11,85,445	50,000
<b>Basic EPS Per Share ( in ₹ )</b>	<b>0.56</b>	<b>(0.46)</b>
<b>Diluted EPS Per Share ( in ₹ )</b>	<b>0.53</b>	<b>(0.46)</b>
<b>Face Value Per Share ( in ₹ )</b>	<b>2.00</b>	<b>2.00</b>

44 Auditors Remuneration includes the following #

	( ₹ in Lacs )	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>Payment to Auditors</b>		
Audit Fee	0.56	0.15

# does not include ₹ 37.48 Lacs allocated from Jindal Stainless Limited pursuant to Composite Scheme of Arrangement (refer note no 26)

45 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:-

	( ₹ in Lacs )	
Description	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Opening balance brought forward	103.25	-
Less: Capitalised during the year	78.31	-
<b>Closing balance carried over</b>	<b>24.94</b>	<b>-</b>

46	Description	For the Year ended 31.03.2015	(₹ in Lacs) For the Year ended 31.03.2014
<b>A. C.I.F. VALUE OF IMPORTS</b>			
	<b>Description</b>		
	Raw Material	1,84,811.65	-
	Stores & Spares	12,910.37	-
	Capital Goods	171.01	-
<b>B. EXPENDITURE IN FOREIGN CURRENCY</b>			
	i) Export Selling Expenses	3,157.65	-
	ii) Interest	8,46.01	-
	iii) Travelling	61.68	-
	iv) Legal & Professional Expenses	69.33	-
	v) Quality Claim	99.08	-
	vi) Others	1,753.85	-
<b>C. EARNINGS IN FOREIGN CURRENCY</b>			
	F.O.B. value of export	1,24,749.38	-
	<b>D. Remittance of dividend on equity shares</b>	<b>NIL</b>	<b>NIL</b>

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

48 Figures in bracket indicate previous year figures.

49 Note 1 to 49 are annexed to and form integral part of the Balance Sheet and Statement of Profit & Loss.

#### AUDITOR'S REPORT

In terms of our report of even date annexed hereto

For **N.C. AGGARWAL & CO.**  
Chartered Accountants

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**(G. K. AGGARWAL)**  
Partner  
Membership No.086622  
FRN 003273N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

PLACE: New Delhi  
DATED: 6th November, 2015

**To The Members of Jindal Stainless (Hisar) Limited (formerly known as Jindal Stainless (Hisar) Private Limited)**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Jindal Stainless (Hisar) Limited (formerly known as Jindal Stainless (Hisar) Private Limited)** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate which comprise the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of 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 (hereinafter referred to as the "consolidated financial statements") in which impact of the Scheme (as stated in Note no. 26) have been incorporated.

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and its associate are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the selection and application of the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 judgment, 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 financial control relevant to the Holding Company's preparation 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 whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of "Other Matters" is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors, on the financial statements of the subsidiary referred to below in 'Other matters', the aforesaid consolidated 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, of the consolidated state of affairs of the Group and its associate as at 31st March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

**Emphasis of matter**

Without qualifying attention is drawn to

- (a) Note No. 34, regarding loss of Intangible Assets not provided for pending decision of Arbitration proceedings.
- (b) Note no. 39 regarding pending necessary approvals for managerial remuneration as explained in the said note.

**Other Matters**

We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of ₹ 120.09 lacs as at 31st March, 2015, total revenues of ₹ 212.82 lacs and net cash outflows amounting to ₹ 0.06 lacs (before adjustments on consolidation) for the year ended on that date, as considered in the consolidated financial statements. These financial statements have

been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, based on the comments in the auditor's reports of the Holding Company and **six** subsidiary companies and **one** associate incorporated in India whose financial statements are audited, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary companies and its associate as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and its associate incorporated in India, none of the directors of the Group and its associate incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note No. 25A, and 31 to the consolidated financial statements;
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts. and;
  - iii. There was no amount which was required to be transferred by the Company to the Investor Education and Protection Fund.

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

**G. K. Aggarwal**  
Partner  
M. No.086622

Place: New Delhi  
Dated: 6th November, 2015

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph (1) under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date for the year ended 31st March, 2015, the following statement is based on the comments in the Auditor's reports on the standalone financial statements of the Holding Company and subsidiary companies and its associate incorporated in India, whose financial statements are audited and to which CARO 2015 is applicable.)

1. In respect of the fixed assets of the Holding Company and subsidiary companies and its associate incorporated in India:
  - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a phased periodical programme of verification which, in our opinion and the opinion of the other auditors, is reasonable having regard to the size of respective entities and nature of its assets. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification.
2. In respect of the inventories of the Holding Company and subsidiary companies and its associate incorporated in India:
  - (a) As explained to us and the other auditors, the management during the year has physically verified inventories at reasonable intervals and in respect of stores and spares, there is a perpetual inventory system and a substantial part of such stock has been verified during the year. However, stocks in the possession and custody of third parties and stock in transit as at 31st March, 2015 have been verified by the Management with reference to confirmation or statement of account or correspondence of third parties or subsequent receipt of goods. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other audit, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
  - (c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective entities have maintained proper records of their inventories and the discrepancies noticed during physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.
3. The Holding Company have granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. No Indian subsidiary company has given loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
  - (a) In respect of aforesaid loan, the amount, principal as well as interest accrued thereon is repayable on demand and hence, the question of irregularity on payment of principal and interest does not arise.
  - (b) The aforesaid loan is repayable on demand and therefore, the question of overdue amount does not arise.
4. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, having regard to the explanations that certain items purchased are of special nature and 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 respective entities and nature of their business for the purchase of inventory, fixed assets and for the sale of goods and services and during the course of our audit and the other auditors audit no continuing failure to correct major weaknesses in such internal control system has been observed.
5. According to the information given to us, the Holding company and subsidiary companies and its associate has not accepted any deposits under provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014. No order has been passed with respect to section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
6. According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company and subsidiary companies and its associate incorporated in India have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, wherever applicable. Neither we nor the other auditors have, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies and its associate incorporated in India are generally regular in depositing with the



appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues. There are no arrears as at 31st March, 2015 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us, there are no dues in respect of Wealth Tax and Cess that have not been deposited with the appropriate authorities to the extent applicable on account of any dispute and the dues in respect of sales tax, duty of excise, Service tax, Income tax and duty of customs that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below:

Name of the statute	Nature of the Dues	Amount	Period to which (₹ in lacs)	Forum where dispute is pending the amount relates
Central Excise Act, 1944	Excise Duty	1.69	April 1995 to June 1995	High Court, New Delhi
		658.08	Jan 1999 to Dec. 2004	High Court of Punjab & Haryana.
		274.80	Aug 2008 to Dec 2010	CESTAT, Delhi.
		27.19	Jan 2005 to June 2005	CESTAT, Delhi.
		7.57	2000-01	CESTAT, Delhi.
		2,960.81	July 2005 to Dec 2007	CESTAT, Delhi.
		24.60	July 2011 to Sept. 2011	CESTAT, Delhi.
		565.30	2006-07 and 2009-10	CESTAT, Delhi.
		7.63	1994-95	Addl. Commissioner of Central Excise, Rohtak.
		59.06	Oct. 2011 to Sept. 2012	Commissioner (Appeals), Delhi III, Gurgaon
		206.56	Sept. 2012 to July 2013	Commissioner (Appeals), Delhi III, Gurgaon
		1.02	April 2007 to Oct. 2007	High Court of Punjab & Haryana.
		4.74	May 2007 to Oct. 2007	High Court of Punjab & Haryana.
		5.21	July 2009	High Court of Punjab & Haryana.
The Custom Act, 1962	Custom Duty	60.00	2008-09	CESTAT, Delhi.
		10.00	2012-13	CESTAT, Delhi.
Finance Act, 1994	Service Tax	522.83	Dec. 2003 to March 2006	CESTAT, Delhi.
		9.79	2005-06 to 2010-11	Commissioner (Appeals) Gurgaon
The Central Sales Tax, 1956	Sales Tax	3.00	1993-94	High Court of Punjab & Haryana.
Income Tax Act, 1961	Income Tax	11.97	2008-09	ITAT, Delhi
		16.32	2010-11	Commissioner of Income Tax (Appeals), Delhi
Sales Tax Act under UP Trade Tax Act	Sales Tax	27.05	2006-07 and 2007-08	Additional Commissioner (Appeals) Commercial tax Noida

- (c) There is no amount payable towards Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under. Hence paragraph 3(vii)(c) of the Order is not applicable to the Group.
8. The Holding Company and subsidiary companies and its associate incorporated in India do not have consolidated accumulated losses at the end of the financial year nor have they incurred cash losses, on a consolidated basis, during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies and its associate incorporated in India have not defaulted in the repayment of dues to financial bank. The Group has not issued any debentures and has not taken any loan from financial institutions.
10. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies and its associate incorporated in India have not given any guarantee for loan taken by others from bank or financial institution.
11. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding company has not taken any term loan and term loans have been applied by subsidiary companies and its associate incorporated in India during the year for the purposes for which they were obtained.
12. To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud on or by the Holding Company and its subsidiary companies and its associate incorporated in India have been noticed or reported during the course of audit.

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

**G. K. Aggarwal**  
Partner  
M. No.086622

Place: New Delhi  
Dated: 6th November, 2015

DESCRIPTION	NOTE NO	(₹ in Lacs)	
		As at 31.03.2015	As at 31.03.2014
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUNDS</b>			
Share Capital	2	4,623.71	1.00
Reserves and Surplus	3	50,077.66	(0.23)
		54,701.37	0.77
<b>MINORITY INTEREST</b>			
		1,893.36	-
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	4	4,809.60	-
Long-term provisions	6	805.31	-
		5,614.91	-
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	7	98,830.05	-
Trade payables	8	1,53,532.60	-
Other current liabilities	9	3,04,223.64	0.15
Short-term provisions	6	444.87	-
		5,57,031.16	0.15
<b>TOTAL</b>		<b>6,19,240.80</b>	<b>0.92</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed Assets</b>			
	10		
Tangible Assets		2,70,025.82	-
Intangible Assets		2,535.62	-
Capital work-in-progress		2,924.60	-
Non-current investments	11	36,990.64	-
Deferred tax assets (net)	5	99.21	-
Long-term loans and advances	12	5,668.63	-
Other non-current assets	13	893.38	-
		3,19,137.90	-
<b>GOODWILL ON CONSOLIDATION</b>			
		7,524.81	-
<b>CURRENT ASSETS</b>			
Inventories	14	1,44,899.47	-
Trade receivables	15	95,543.08	-
Cash and bank balances	16	1,927.84	0.80
Short-term loans and advances	12	49,868.93	0.12
Other current assets	17	338.77	-
		2,92,578.09	0.92
<b>TOTAL</b>		<b>6,19,240.80</b>	<b>0.92</b>
<b>Significant Accounting Policies</b>	1		
<b>Notes referred to above are an integral part of the financial statements</b>			

**AUDITOR'S REPORT**

In terms of our report of even date annexed hereto

 For **N.C. AGGARWAL & CO.**  
Chartered Accountants

**(G. K. AGGARWAL)**  
Partner  
Membership No.086622  
FRN 003273N

 PLACE: New Delhi  
DATED: 6th November, 2015

**RATAN JINDAL**  
Chairman

**ANKUR AGRAWAL**  
Chief Financial Officer

**ASHOK KUMAR GUPTA**  
Whole Time Director

**BHARTENDU HARIT**  
Company Secretary

DESCRIPTION	NOTE NO	₹ in Lacs	
		For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>INCOME</b>			
Revenue from operations (gross)	18	8,98,603.10	-
Less : Excise duty on sales		79,285.44	-
Revenue from operations (net)		8,19,317.66	-
Other Income	19	2,828.75	-
<b>TOTAL</b>		<b>8,22,146.41</b>	<b>-</b>
<b>EXPENSES</b>			
Cost of materials consumed		5,53,401.24	-
Purchases of trading goods		9,526.16	-
Changes in inventories of finished goods, work in progress and trading goods	20	(7,531.94)	-
Employee benefits expenses	21	18,129.67	-
Finance costs	22	47,497.50	-
Depreciation and amortization expenses	23	31,274.86	-
<b>Other expenses</b>		24	-
Manufacturing expenses		1,44,862.88	-
Administration expenses		8,428.71	0.23
Selling expenses		18,371.07	-
<b>TOTAL</b>		<b>8,23,960.15</b>	<b>0.23</b>
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		<b>(1,813.74)</b>	<b>(0.23)</b>
Exceptional items - Gain / (Loss)	29	1,668.60	-
<b>Profit/(Loss) before tax</b>		<b>(145.14)</b>	<b>(0.23)</b>
<b>Tax expense</b>			
Provision for current tax		769.97	-
MAT credit entitlement		(723.14)	-
Provision for deferred tax		403.33	-
<b>Profit/(Loss) before share in Associate and Minority Interest</b>		<b>(595.30)</b>	<b>(0.23)</b>
Share of Profit/(Loss) from Associate		0.05	-
Share of Profit/(Loss) of Minority		(208.76)	-
<b>Net Profit/(Loss) for the year</b>		<b>(804.01)</b>	<b>(0.23)</b>
Earning per Share (in ₹)	38		
Basic		(0.37)	(0.46)
Diluted		(0.37)	(0.46)
<b>Significant Accounting Policies</b>	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 **N.C. AGGARWAL & CO.**  
Chartered Accountants

**(G. K. AGGARWAL)**  
Partner  
Membership No.086622  
FRN 003273N

PLACE: New Delhi  
DATED: 6th November, 2015

**RATAN JINDAL**  
Chairman

**ANKUR AGRAWAL**  
Chief Financial Officer

**ASHOK KUMAR GUPTA**  
Whole Time Director

**BHARTENDU HARIT**  
Company Secretary

DESCRIPTION	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>A. Cash Inflow / (Outflow) from Operating Activities</b>		
<b>Net Profit/(Loss) Before Tax &amp; Exceptional Items</b>	(1,813.74)	(0.23)
Adjustment for:		
Depreciation/Amortisation	31,274.86	-
Provision for Doubtful Debts & Advance / Bad Debts	383.35	-
Previous Year Adjustments (Liability Written Back)	(214.51)	-
Mine Development Expenditure Written Off	309.59	-
Finance Cost	47,497.50	-
Interest Income	(1,904.27)	-
(Profit) / Loss on Acquisition of Subsidiaries(including Goodwill)	1,280.11	-
(Profit) / Loss on Sale/Discard of Fixed Assets (Net)	306.74	-
<b>Operating Profit Before Working Capital Changes</b>	77,119.63	(0.23)
Adjustment for:		
(Increase) / Decrease in Inventories	(5,108.16)	-
(Increase) / Decrease in Trade Receivables	(8,755.10)	0.15
(Increase) / Decrease in Loans & Advances	41,233.78	(0.12)
Increase / (Decrease) in Liabilities and Provisions	(56,563.60)	-
<b>Cash Inflow from Operating Activities Before Exceptional Items</b>	47,926.55	(0.20)
Exceptional items - Gain/(Loss)	1,668.60	-
Income Tax (Advance) / Refund (Net)	(371.31)	-
<b>Net Cash Inflow from Operating Activities</b>	49,223.84	(0.20)
<b>B. Cash Inflow / (Outflow) from Investing Activities</b>		
Sale/Redemption/(purchase) of Investment (Net)	(370.84)	-
Capital Expenditure	(6,175.31)	-
Sales Proceeds of Fixed Assets Sold	3,406.34	-
Interest received	2,238.17	-
<b>Net Cash (Outflow) from Investing Activities</b>	(901.64)	-

DESCRIPTION	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>C. Cash Inflow / (Outflow) from Financing Activities</b>		
Interest and Finance Charges Paid	(47,441.59)	-
Proceeds from / (Repayment of) Borrowings (net)	(1,370.94)	-
Issue of Equity Share	4.00	1.00
Minority Interest	1,684.58	-
<b>Net Cash Inflow from Financing Activities</b>	<b>(47,123.95)</b>	1.00
<b>Net Changes in Cash &amp; Cash Equivalents</b>	<b>1,198.25</b>	0.80
<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<b>1,938.31</b>	0.80
<b>Cash &amp; Cash Equivalents in terms of Composite Scheme of Arrangement (Read with Note No. 26)</b>	<b>739.26</b>	
<b>Cash &amp; Cash Equivalents (Opening Balance)</b>	<b>0.80</b>	-
<b>Net Changes in Cash &amp; Cash Equivalents</b>	<b>1,198.25</b>	0.80
<b>Notes :</b>		
1) Cash and cash equivalents includes :		
Cash, Cheques and Stamps in hand	213.14	0.80
Balance with Banks	1,724.89	-
Puja & Silver Coins	0.28	-
	<b>1,938.31</b>	0.80

2) The Composite Scheme of Arrangement does not involve any cash flow during the year, hence not been considered in above.  
(read with note no 26)

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 **N.C. AGGARWAL & CO.**  
Chartered Accountants

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**(G. K. AGGARWAL)**  
Partner  
Membership No.086622  
FRN 003273N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

PLACE: New Delhi  
DATED: 6th November, 2015



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

Jindal Stainless (Hisar) Limited has prepared consolidated financial statements by consolidating its accounts with those of its following subsidiaries and associates, as on 31.03.2015, to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

Name of Subsidiaries	Country of Incorporation	%Age Shareholding/Voting Power	
		31.03.2015	31.03.2014
Jindal Stainless Steelway Limited *	India	81.911%	
JSL Architecture Limited *	India	74.887%	
JSL Lifestyle Limited *	India	78.47%	
JSL Logistics Limited *	India	100.00%	
Green Delhi BQS Limited *	India	68.224%	
JSL Media Limited *	India	99.94%	
<b>Associate</b>			
J.S.S. Steelitalia Limited *	India	33.00%	

\* became subsidiaries/Associates pursuant to composite scheme of arrangement with effect from 31-3-2014. (read with note no-26)

- ii) The Financial Statements of parent Company and its subsidiaries have been consolidated on line-by-line basis by adding together book value of line items of assets, liabilities, income and expenses after eliminating intra-group balances and intra- group transactions. In case of associate, 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) 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 31.03.2015	As at 31.03.2014
<b>2 SHARE CAPITAL</b>		
<b>(A) AUTHORISED</b>		
250,000 Equity Shares of ₹ 2/- each (10,000 Equity Shares of ₹ 10/- each)	5.00	1.00
	5.00	1.00
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
250,000 Equity Shares of ₹ 2/- each (10,000 Equity Shares of ₹ 10/- each)	-	1.00
<b>(B) SHARE CAPITAL SUSPENSE ACCOUNT (Refer note no. 26)</b>		
226,375,005 nos. Equity Shares of ₹ 2/-each fully paid up to be issued in terms of Composite Scheme of Arrangement	4,527.50	-
4,810,440 nos. 0.10% Cumulative Compulsory Convertible Preference Shares of ₹ 2/- each fully paid up to be issued in terms of Composite Scheme of Arrangement	96.21	-
<b>TOTAL - SHARE CAPITAL</b>	<b>4,623.71</b>	<b>1.00</b>

(a) **RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR**

	EQUITY SHARES	
	No. of Shares 31.03.2015	% holding 31.03.2014
Shares outstanding at the beginning of the Year (Face Value of ₹ 10/- each)	10,000	-
Add : Equity Shares on split from Face Value of ₹ 10/- to ₹ 2/- each	40,000	-
Add : Equity Shares issued during the year (Face Value of ₹ 10/- each)	-	10,000
Add : Equity Shares issued during the year (Face Value of ₹ 2/- each)	2,00,000	-
Less : Cancellation of Equity Share (Refer note no 26)	2,50,000	-
<b>Shares outstanding at the end of the year</b>	<b>-</b>	<b>10,000</b>

(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 2015, 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.

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

NAME OF THE SHAREHOLDER	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% holding	No. of Shares	% holding
Ramesh Kumar	-	-	5,000	50.00%
Mukesh Kumar	-	-	5,000	50.00%
Jindal Stainless Limited*	2,50,000	100.00%	-	-

\* 1500 shares (Nil) held by person as nominee of Jindal Stainless Limited.

**(d) No bonus, buy back, issue of shares other than in cash in last five years except about Share Capital Suspense read with note no. 26**

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>3 RESERVES AND SURPLUS</b>		
(a) CAPITAL RESERVE		
As per last account	-	-
Add : On cancellation of share capital in terms of Composite Scheme of Arrangement (Refer note no 26)	5.00	-
	5.00	-
(b) SECURITY PREMIUM RESERVE		
As per last account	-	-
Add : Adjusted in terms of Composite Scheme of Arrangement (Refer note no. 26)	53,888.94	-
	53,888.94	-
(c) SURPLUS /(DEFICIT) IN STATEMENT OF PROFIT AND LOSS		
As per last account	(0.23)	-
Add: On Acquisition of Subsidiaries	(2,942.06)	-
Add : Profit/(Loss) after Tax for the year	(804.01)	(0.23)
Less : Depreciation Adjusted to Retained Earnings (Refer note no. 30)	(69.98)	-
<b>NET PROFIT</b>	<b>(3,816.28)</b>	<b>(0.23)</b>
<b>TOTAL - RESERVE AND SURPLUS</b>	<b>50,077.66</b>	<b>(0.23)</b>

Note DESCRIPTION No.		Non -Current Portion		Current Maturity	
		As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
(₹ in Lacs)					
<b>4</b>	<b>LONG-TERM BORROWINGS</b>				
	<b>SECURED</b>				
	(a) <b>TERM LOAN FROM BANKS</b>				
	Rupee term loan	1,185.22	-	1,652.03	-
		1,185.22	-	1,652.03	-
	(b) <b>CAR LOAN FROM BANKS</b>	8.64	-	4.46	-
	<b>TOTAL - SECURED</b>	1,193.86	-	1,656.49	-
	<b>UNSECURED</b>				
	(c) <b>INTER CORPORATE LOAN</b>	3,615.74	-	-	-
	<b>TOTAL - UNSECURED</b>	3,615.74	-	-	-
	Less: Amount disclosed under the head other current liabilities	-	-	1,656.49	-
	<b>TOTAL - LONG TERM BORROWINGS</b>	4,809.60	-	-	-

**Secured Borrowings**

- (a) (i) Rupees Term Loan amounting to ₹ 649.72 Lacs (₹1,694.60 Lacs) carries interest @ 13.50% p.a. The loan is repayable in 26 monthly installments of ₹ 45.83 Lacs each along with interest and the last installment of ₹ 8.10 lacs due in 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 ₹ 294.42 Lacs (₹ 491.39 Lacs) 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 ₹ 100.67 lacs due in September 2016. The Loan is secured by way of Hypothecation over the cut to length machine under lease.
- (iii) Rupee Term Loan amounting to ₹ 1,505.47 Lacs (₹ 2,122.50 Lacs). The term loan carries interest @ 14.00 % p.a. The loan is repayable as under:- 1-2 Monthly installment of ₹ 56.97 lacs each, 3- 14 monthly installments of ₹ 63.02 lacs each, 15- 19 monthly installment of ₹ 102.85 lacs each, and the last installment of ₹ 102.85 lacs due on November 2016. The loan is secured by subservient charge over current assets and movable fixed assets both present & future.
- (iv) Rupee Term Loan amounting to ₹ 385.46 Lacs (₹ 561.56 Lacs) carries interest @ 13.75% p.a. The loan is repayable in 10 quarterly installments of ₹ 36.50 lacs each and last installment is payable for ₹ 20.60 lacs due in December 2017. 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.
- (b) Secured by way of hypothecation of vehicles purchased thereunder and payable for the terms of agreement.

Note DESCRIPTION No.	On Acquisition of Subsidiaries	(₹ in Lacs)	
		Charge/( Credit ) for the Year*	Deferred Tax Liability/Asset as at 31.03.2015
<b>5 DEFERRED TAX (ASSET) (NET)</b>			
(a) DEFERRED TAX LIABILITY			
Difference between book & tax depreciation	1,384.84	8,914.89	10,299.73
<b>Total Deferred Tax Liability</b>	1,384.84	8,914.89	10,299.73
(b) DEFERRED TAX ASSETS			
Disallowance under Income Tax Act	225.70	1,433.76	1,659.46
Brought Forward Losses/Unabsorbed Depreciation	1,634.21	7,105.27	8,739.48
<b>Total Deferred Tax Asset</b>	1,859.91	8,539.03	10,398.94
<b>DEFERRED TAX (ASSET) (net) : (a)-(b)</b>	<b>(475.07)</b>	<b>375.86</b>	<b>(99.21)</b>
Considering the prudence & virtual certainty, no deferred tax asset (net) have been created.			
* includes ₹ 27.49 Lacs adjusted in retained earning.			
Deferred Tax Liability / (Assest) as at 31st March, 2014 is Nil.			

Note DESCRIPTION No.	(₹ in Lacs)			
	Long-Term		Short-Term	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>6 PROVISIONS</b>				
For Employee Benefits	805.31	-	444.87	-
<b>TOTAL - PROVISIONS</b>	<b>805.31</b>	<b>-</b>	<b>444.87</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>7 SHORT TERM BORROWINGS</b>		
<b>SECURED</b>		
(a) Working capital facilities from bank*	58,533.77	-
(b) Buyer credit in foreign currency-Against working Capital*	37,184.22	-
<b>TOTAL - SECURED</b>	<b>95,717.99</b>	<b>-</b>
<b>UNSECURED</b>		
(a) Loan from Body Corporate	3,112.06	-
<b>TOTAL - UNSECURED</b>	<b>3,112.06</b>	<b>-</b>
<b>TOTAL - SHORT TERM BORROWINGS</b>	<b>98,830.05</b>	<b>-</b>

**Secured Borrowings**

- (a) Working Capital Facilities are secured by way of hypothecation and/or pledge of current assets namely finished goods, 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 goods, 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 Facilities of Jindal Stainless Limited continue to have security on the assets transferred in pursuant to Composite Scheme of Arrangement (Read with note no 26).

\* the amount has been allocated by Jindal Stainless Limited pursuant to the Composite Scheme of Arrangement (Read with note no 26) pending confirmation from the respective Banks.

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>8 TRADE PAYABLES</b>		
Trade Payables (Including Acceptances)		
Dues to Micro and Small enterprises	232.22	-
Dues to other than Micro and Small enterprises	1,53,300.38	-
<b>TOTAL TRADE PAYABLES</b>	<b>1,53,532.60</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>9 OTHER CURRENT LIABILITIES</b>		
Current maturities of Long term Borrowings	1,656.49	-
Interest accrued but not due on borrowings	475.21	-
Interest accrued and due on borrowings	74.07	-
Advance from customers	5,981.67	-
Security Deposits from Agents/Dealers/Others	76.41	-
Creditors for capital expenditure	854.06	-
Amount payable in terms of Composite Scheme of Arrangement@	2,60,000.00	-
Other outstanding liabilities*	35,105.73	0.15
<b>TOTAL - OTHER CURRENT LIABILITIES</b>	<b>3,04,223.64</b>	<b>0.15</b>

\* Includes statutory dues.

@ Refer note no 26



Note No	DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK				
		As At 01.04.2014	Trf in Terms of Composite Scheme of Arrangement of Subsidiaries @	Acquired on Acquisition of Subsidiaries	ADDITION	SALE/ADJUSTMENT	AS AT 31.03.2015	AS AT 01.04.2014	Trf in Terms of Composite Scheme of Arrangement of Subsidiaries @	Acquired during the year	Retained Earning	ON SALE/ADJUSTMENT	AS AT 31.03.15	AS AT 31.03.14
<b>10</b>	<b>FIXED ASSETS</b>													
<b>A</b>	<b>TANGIBLE ASSETS</b>													
	Lease Hold Land	-	-	311.12	-	-	-	-	20.53	2.99	(0.37)	-	23.15	287.97
	Free Hold Land	-	31,812.00	662.34	-	-	-	-	-	-	-	-	32,474.34	
	BUILDINGS	-	35,413.44	5,861.59	432.06	649.48	-	20.32	990.03	2,581.19	4.08	7.71	3,587.91	37,469.70
	PLANT & MACHINERY *	-	2,17,199.28	12,077.10	4,052.29	3,353.22	-	2,272.82	5,105.32	26,351.13	22.61	637.05	33,114.83	1,96,860.62
	ELECTRIC INSTALLATION	-	405.05	625.91	49.76	14.61	-	234.73	202.25	98.76	8.81	9.70	534.85	531.26
	VEHICLES	-	778.15	485.28	976.97	50.16	-	99.57	345.71	264.98	0.96	7.26	703.96	1,486.28
	FURNITURE, FIXTURES & EQUIPMENTS	-	270.95	714.20	26.87	(3.17)	-	27.04	169.28	150.96	13.64	-	360.92	654.27
	OFFICE EQUIPMENT	-	212.17	189.70	23.29	5.06	-	7.78	54.42	51.11	45.77	0.36	158.72	261.38
	<b>TOTAL TANGIBLE ASSETS</b>	-	<b>2,86,091.04</b>	<b>20,927.24</b>	<b>5,561.24</b>	<b>4,069.36</b>	-	<b>2,662.26</b>	<b>6,887.54</b>	<b>29,501.12</b>	<b>95.50</b>	<b>662.08</b>	<b>38,484.34</b>	<b>2,70,025.82</b>
	PREVIOUS YEAR	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>B</b>	<b>INTANGIBLE ASSETS</b>													
	TECHNICAL KNOW HOW	-	111.26	-	-	111.26	-	-	-	111.26	-	111.26	-	-
	COMPUTER SOFTWARE	-	-	305.91	0.58	(1.03)	-	-	123.92	41.87	1.96	(0.09)	167.84	139.68
	BUS Q SHELTER CONCESSION RIGHT	-	-	5,026.38	-	-	-	-	3,078.63	586.21	-	-	3,664.84	1,361.54
	Goodwill @	-	2,068.81	-	-	-	-	-	-	1,034.41	-	-	1,034.41	1,034.40
	<b>TOTAL INTANGIBLE ASSETS</b>	-	<b>2,180.07</b>	<b>5,332.29</b>	<b>0.58</b>	<b>110.23</b>	-	<b>3,202.55</b>	<b>1,773.75</b>	<b>1.96</b>	<b>111.17</b>	<b>4,867.09</b>	<b>2,535.62</b>	
	<b>CAPITAL WORK IN PROGRESS</b>	-	-	-	-	-	-	-	-	-	-	-	-	2,924.60

## NOTE

\* Include Plant & machinery acquired on Lease amounting to ₹ 1018.52 Lacs (₹ Nil Lacs) and depreciation thereon during the year is ₹ 79.40 Lacs (₹ Nil Lacs).

@ Refer note no 26

# All assets in terms of Composite Scheme of Arrangement assets would continue to have security in favour of lenders of Jindal Stainless Limited.

Note DESCRIPTION No.	As at 31.03.2015			As at 31.03.2014		
	Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
<b>11 INVESTMENTS</b>						
<b>NON - CURRENT INVESTMENTS</b>						
<b>LONG TERM INVESTMENTS - AT COST</b>						
<b>A Equity Shares pending allotment</b>						
Jindal Stainless Limited			36,618.67			-
(in terms of Composite Scheme of Arrangement (Refer note no 26))						
			36,618.67			-
<b>B Equity Shares Fully Paid Up of Associate Company - Trade - Unquoted</b>						
J.S.S. Steellitalia	77,13,190	10.00	771.32			-
Share in Profit/(Loss) from Associate#			(399.97)			-
<b>Total (B)</b>			371.35			-
# Includes ₹ 327.66 Lacs in Goodwill on Consolidation.						
<b>C Govt./Semi Govt. Securities - Non Trade</b>						
National Savings Certificate *			0.62			-
<b>Total (C)</b>			0.62			-
<b>TOTAL NON CURRENT INVESTMENT</b>			36,990.64			-
<b>TOTAL - INVESTMENTS</b>			36,990.64			-

\* Lodged with Government Authorities as Security.

Note DESCRIPTION No.	(₹ in Lacs)			
	Long-Term		Short-Term	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>12 LOANS AND ADVANCES</b>				
(Unsecured, considered good unless otherwise stated)				
Advance Recoverable in Cash or in kind or the value to be received*	32.82	-	39,543.00	0.12
Capital advances	201.89	-	-	-
Security deposits	2,789.71	-	1,021.17	-
[Net of Provision of ₹ 54.00 Lacs (Nil)]				
Loans to body corporate	2,644.21	-	-	-
Advances to supplier	-	-	64.98	-
Prepaid Taxes	-	-	227.34	-
[Net of Provision of ₹ 1116.32 Lacs (Nil)]				
MAT Credit Entitlement *	-	-	1,051.57	-
Balance with Excise and Sale tax Authorities	-	-	7,960.87	-
<b>TOTAL - LOANS AND ADVANCES</b>	<b>5,668.63</b>	<b>-</b>	<b>49,868.93</b>	<b>0.12</b>

\* include ₹ 22,672.34 Lacs receivable from Jindal Stainless Limited due to implementation of Composite Scheme of Arrangement. (Refer note no. 26)

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>13 OTHER NON CURRENT ASSETS</b>		
Deposit with original Maturity of more than 12 month	10.47	-
Mine Development Expense	882.91	-
<b>TOTAL - OTHER NON CURRENT ASSETS</b>	<b>893.38</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>14 INVENTORIES</b>		
(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 ₹ 153.32 Lacs (₹ Nil)]	28,504.53	-
Work in Progress	43,811.29	-
Finished Goods	57,795.04	-
Trading Goods	34.84	-
Store and Spares [Including material in Transit ₹ 667.09 Lacs (₹ Nil)]	11,950.90	-
Scrap (at estimated realizable value)	2,802.87	-
<b>TOTAL - INVENTORIES</b>	<b>1,44,899.47</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>15 TRADE RECEIVABLES</b>		
(Unsecured, Considered goods unless otherwise stated)		
(a) EXCEEDING SIX MONTHS FROM THE DUE DATE OF PAYMENT		
Unsecured, Considered good	13,072.67	-
Doubtful	4,895.14	-
Less : Provision for doubtful receivable	4,895.14	-
	13,072.67	-
(b) OTHERS	82,470.41	-
<b>TOTAL - TRADE RECEIVABLE</b>	<b>95,543.08</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>16 CASH AND BANK BALANCES</b>		
(a) <b>CASH AND CASH EQUIVALENTS</b>		
Balance with banks	785.26	-
Cheques in hand / money in transit	195.18	-
Cash in hand	17.96	0.80
Stamps in hand	0.18	-
Puja and silver coins	0.10	-
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>998.68</b>	<b>0.80</b>
(b) <b>OTHER BANK BALANCES</b>		
Bank Deposits with original maturity of more than three month but less than 12 months *	929.16	-
Bank Deposits with original maturity of more than 12 months *	10.47	-
	939.63	-
Less: Amount disclosed under the head other Non Current Assets	(10.47)	-
<b>TOTAL OTHER BANKS BALANCES</b>	<b>929.16</b>	<b>-</b>
<b>TOTAL - CASH &amp; BANK BALANCES</b>	<b>1,927.84</b>	<b>-</b>

\* ₹ 936.80 Lacs (₹ NIL) is under lien with Banks and pledge with sales tax department.

Note DESCRIPTION No.	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>17 OTHER CURRENT ASSETS</b>		
(Unsecured, Considered good unless otherwise stated) Interest accrued on Investment /Fixed deposit	29.18	-
Mine Development Expense	309.59	-
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>338.77</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>18 REVENUE FROM OPERATIONS</b>		
(a) <b>SALE OF PRODUCTS</b>		
Finished Goods	8,57,244.36	-
Semi Finished Goods	288.33	-
Trading Goods	30,003.58	-
Export Benefits	5,450.44	-
	<b>8,92,986.71</b>	<b>-</b>
(b) <b>SALE OF SERVICES</b>		
Job charges received	1,199.20	-
Consultancy Charges / Commission Received / Advertisement Income	261.18	-
	<b>1,460.38</b>	<b>-</b>
(c) <b>OTHER OPERATING REVENUE</b>		
Sale of Gases	83.54	-
Previous year Adjustment ( Net)	90.45	-
Miscellaneous Income	3,982.02	-
	<b>4,156.01</b>	<b>-</b>
<b>REVENUE FROM OPERATIONS (GROSS)</b>	<b>8,98,603.10</b>	<b>-</b>
<b>Previous year Adjustment ( Net)</b>		
Income relating to earlier years	60.85	-
Liability no longer required	(214.51)	-
Expenses relating to earlier years	244.11	-
	<b>90.45</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>19 OTHER INCOME</b>		
(a) <b>INTEREST INCOME ON</b>		
Long Term Investments	0.24	-
Others	529.59	-
Debtors	1,374.44	-
	<b>1,904.27</b>	<b>-</b>
(b) <b>OTHER NON-OPERATING INCOME (net)</b>	<b>924.48</b>	<b>-</b>
<b>TOTAL - OTHER INCOME</b>	<b>2,828.75</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS</b>		
<b>OPENING STOCK</b> (trf in terms of Composite Scheme of Arrangement (Refer note no 26(i) (a) & (b)))	<b>48,068.40</b>	<b>-</b>
Finished Goods		
Work in Progress	34,428.32	-
Scrap	2,511.07	-
Trading Goods	34.84	-
	<b>85,042.63</b>	<b>-</b>
<b>Add:-On Acquisition of subsidiaries</b>		
Finished Goods	3,468.71	-
Work in Progress	7,172.86	-
Scrap	149.83	-
Trading Goods	-	-
	<b>10,791.40</b>	<b>-</b>
<b>CLOSING STOCK</b>		
Finished Goods	57,795.04	-
Work in Progress	43,811.29	-
Scrap	2,802.87	-
Trading Goods	34.84	-
<b>TOTAL CLOSING STOCK</b>	<b>1,04,444.04</b>	<b>-</b>
Excise Duty on account of increase/(decrease) in Stock of Finished Products	1,078.07	-
<b>TOTAL - CHANGES IN INVENTORIES</b>	<b>(7,531.94)</b>	<b>-</b>



Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>21 EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages, Bonus and Other benefits	16,351.66	-
Contribution to provident and other funds	836.61	-
Staff Welfare Expenses	941.40	-
<b>TOTAL - EMPLOYEE BENEFITS EXPENSES</b>	<b>18,129.67</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>22 FINANCE COST</b>		
Interest Expenses	43,237.92	-
Other Borrowing Costs	4,259.58	-
<b>TOTAL - FINANCE COST</b>	<b>47,497.50</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>23 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation on Fixed Assets	29,501.13	-
Amortization of Intangible assets	1,773.73	-
<b>TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES</b>	<b>31,274.86</b>	<b>-</b>

Note DESCRIPTION No.	(₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>24 OTHER EXPENSES</b>		
<b>(a) MANUFACTURING EXPENSES</b>		
Consumption of Stores and Spare parts	46,265.32	-
Power and Fuel	84,235.52	-
Labour Processing & Transportation Charges	5,790.26	-
Repairs to buildings	201.29	-
Repairs to plant & machinery	1,943.52	-
Job work expenses	1,297.31	-
Other Manufacturing Expenses	5,129.66	-
	<b>1,44,862.88</b>	-
<b>(b) ADMINISTRATIVE EXPENSES</b>		
Insurance	919.18	-
Rent	434.21	-
Rates and Taxes	1,160.31	-
Legal and Professional	1,848.90	-
Postage, Telegram ,Telex and Telephone	340.23	-
Printing & Stationary	367.15	-
Travelling & Conveyance	743.07	-
Director' Meeting Fees	0.51	-
Vehicle Upkeep and Maintenance	551.80	-
Auditor's Remuneration	60.00	0.15
Donation	54.33	-
Net (Gain)/Loss in sale of fixed assets	306.74	-
Miscellaneous Expenses	1,332.69	0.08
Mine Development Expenses W/off	309.59	-
	<b>8,428.71</b>	<b>0.23</b>
<b>(c) SELLING EXPENSES</b>		
Other Selling Expenses	1,563.37	-
Discount & Rebate	4,424.48	-
Freight & Forwarding Expenses	8,377.21	-
Commission on Sales	2,945.14	-
Provision for Doubtful Debts/Advances	383.35	-
Bad Debts	407.09	-
Advertisement & Publicity	270.43	-
	<b>18,371.07</b>	-
<b>TOTAL - OTHER EXPENSES</b>	<b>1,71,662.66</b>	<b>0.23</b>

25.

		(₹ in Lacs)	
A	Contingent Liabilities not provided for in respect of :	As at 31.03.2015	As at 31.03.2014
a)	Counter Guarantee given to Company's Bankers for the guarantee given by them on behalf of Company.	2,185.09	-
b)	Letter of Credit outstanding.	48,854.79	-
c)	Bills discounted with banks.	43,646.79	-
d)	i) Sales Tax/Entry Tax Demands against which Company has preferred appeals.	45.05	-
	ii) Excise Duty/Custom/Service Tax Show Cause Notices/Demands against which company has preferred appeals.	8,217.18	-
	iii) Income Tax Demands against which Company has preferred appeals.	28.30	-
	iv) Claims and other liabilities against the company not acknowledged as debt.	7,811.31	-
e)	Demands made by Sr. Dy. Director of Mines, Notified Authority, Jajpur Road Circle, Odisha as cess on Chromite Ore Production. The matter being pending with Hon'ble Supreme Court.	320.49	-
f)	Demand made by Dy. Director of Mines, Jajpur Road Circle, Odisha against which company has preferred appeals.	147.64	-
B)	Guarantee given to custom authorities for import under EPCG Scheme. {Custom duty saved/to be saved as on 31st March, 2015 ₹16,860.01 Lacs {(₹ 19,080.63 Lacs)}	3,161.86	-

(Read with Note No. 26)

**26. Composite Scheme of Arrangement**

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

- a) Demerger of the Demerged Undertakings (as defined in the scheme) of JSL comprising of the Ferro Alloys Division located at Jindal Nagar, Kothavalasa (AP) and the Mining Division of JSL and vesting of the same in the Company w.e.f. appointed date i.e. close of business hours before midnight of March 31, 2014. (Section I of the Scheme)
- b) Transfer of the Business undertaking 1 (as defined in the scheme) of JSL comprising of the Stainless Steel Manufacturing Facilities of JSL located at Hisar, Haryana and vesting of the same with the Company on Going Concern basis by way of Slump Sale along with investments in the domestic subsidiaries (listed in Part B of schedule 2 of the Scheme) of JSL w.e.f. from appointed date i.e. close of business hours before midnight of 31st March, 2014. (Section II of the Scheme)
- c) Transfer of the Business undertaking 2 (as defined in the scheme) of JSL comprising, inter-alia, of the Hot Strip Plant of JSL located at Odisha and vesting of the same in Jindal United Steel Limited on Going Concern basis by way of Slump Sale w.e.f. appointed date i.e. close of business hours before midnight of March 31, 2015. (Section III of the Scheme)
- d) Transfer of the Business Undertaking 3 (as defined in the Scheme) of JSL comprising, inter-alia, of the Coke Oven Plant of JSL Located at Odisha and vesting of the same with Jindal Coke Limited on Going Concern basis by way of Slump Sale w.e.f. appointed date i.e. close of business hours before midnight of March 31, 2015. (Section IV of the Scheme)

Section I and Section II of the Scheme became effective on 1st November, 2015, operative from the said appointed date (as stated in sub-para (a) and (b) above) and Section III and Section IV (section III and IV appointed date as stated in sub-para (c) and (d) above) of the Scheme will become effective on receipt of necessary approvals for transfer/grant of the right to use in the land on which Hot Strip & Coke Oven Plants are located as specified in the Scheme.

2. Pursuant to the Section I and Section II of the Scheme becoming effective:
  - a) Demerged Undertakings and Business undertaking 1 has been transferred to and vested in the Company with effect from the said Appointed Date; accordingly the same has been given effect to in these accounts.
  - b) The surplus of ₹ 53,888.94 Lacs of assets over the liabilities pertaining to the Demerged Undertakings transferred to and vested in the Company and the paid up face value of the equity shares & CCCPS issued by JSL has been credited in Security Premium Account.
  - c) The company is to issue equity shares/CCCPS on a record date to be fixed as specified in the Scheme for allotment of (i) equity shares having face value of ₹ 2/- each credited as fully paid up; and (ii) CCCPS having face value of ₹ 2/- each credited as fully paid up of the Company to the equity shareholders and holders of CCCPS respectively of JSL in the ratio one equity shares/CCCPS of the company for every one equity shares/CCCPS held in JSL. Pending allotment the same has been shown as "Share Capital Suspense Account".
  - d) Share capital of the Company comprising of 250000 equity shares having face value of ₹ 2 each, 100% held by JSL deemed to have been cancelled and transferred to capital reserve; which will give effect immediately after issuance of the shares by the Company to the Shareholders of JSL.
  - e) The Authorised share capital of the company is to be enhanced to ₹ 50,00,00,000 (Rupees Fifty Crore) divided into 24,00,00,000 (Twenty Four Crore) equity shares having face value of ₹ 2 (Two) each and 1,00,00,000 (One Crore) preference shares having face value of ₹ 2 (Rupees Two) each.
  - f) Business Undertaking 1 (as defined in sub-para (b) of 1 above) has been transferred to and vested in the Company at a lump sum consideration of ₹ 280,979.52 Lacs; out of this ₹ 260,000.00 lacs shall be paid to JSL and ₹ 20,979.52 Lacs has been adjusted against sum of ₹ 57,598.19 lacs lying receivable from JSL in the books of the Company.  
 Against the balance amount of ₹ 36,618.67 Lacs, JSL is to issue equity shares to the company at a price to be determined with the record date to be fixed as specified in the Scheme. Pending allotment the same has been shown as "Equity Shares pending allotment" under Long Term Investments.
  - g) On transfer of Business Undertaking 1, the difference between the fair values of assets and liabilities transferred to and vested in the Company and the lump sum consideration to be paid as stated above amounting to ₹ 2,068.81 Lacs has been debited to Goodwill Account.
  - h) In terms of the Scheme, all the business and activities of Demerged Undertakings and Business Undertaking 1 carried on by JSL on and after the appointed date, as stated above, are deemed to have been carried on behalf of the Company. Accordingly, necessary effects have been given in these accounts on the Scheme becoming effective.
  - i) The necessary steps and formalities in respect of transfer of and vesting in the properties, licenses, approvals and investments in favor of the Company and modification of charges etc. are under implementation. Further transfer of and vesting in the Mining Rights to Demerged Undertakings (as referred in para 1 (a) above) is subject to necessary approvals of the concerned authorities.
3. The financial statements of the Company for the year ended 31st March, 2015 were earlier approved by the Board of Directors at their meeting held on 25th May, 2015 on which the Statutory Auditors of the Company had issued their report dated 25th May, 2015. These financial statements have been reopened and revised to give effect to the Scheme as stated in note 1 & 2 herein above.
4. Current year's figures are not comparable with those of the previous year for the reasons as stated in note 1 & 2 herein above.
27. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ **2,476.33 Lacs** (₹ Nil Lacs).
28. A Scheme of Amalgamation between JSL Architecture Limited (Transferor Company) with JSL Lifestyle Ltd. (Transferee Company) was filed with the Hon'ble High Court of Punjab and Haryana at Chandigarh entailing transfer of all the assets and liabilities including reserves of the Transferor Company at existing carrying amount w.e.f appointed date i.e. 1st April, 2014. The Transferee Company, in consideration, would issue 76 fully paid up Equity Shares of ₹ 10 each for Every 100 Equity Shares of ₹ 10 each held by the shareholders of Transferor Company. The Scheme is has been approved by the Hon'ble High Court vide its oral judgment dated 30th October, 2015. Upon receipt of the certified true copy of the order, both the Companies shall file the same with the office of the Registrar of Companies, NCT of Delhi and Haryana and the Scheme shall become effective from the date of such filing.
- 29 Exceptional items includes Gain/(Loss) (net) of ₹ **692.17 Lacs** (₹ NIL) on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of (₹ **22.32 Lacs**) (₹ NIL) upon marked to market of derivatives contracts, gain/(loss) of ₹ **998.75 Lacs** (₹ NIL) on forward cover cancellation.

- 30 Pursuant to the requirements of Schedule II of the Companies Act, 2013, the Company has, effective April 1, 2014, reviewed and revised the estimated useful lives of its fixed assets. Consequent thereto, the depreciation charge for the year ended on 31st March, 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 vires 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 The company had received a notice during the year 2012-2013 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.
- 33 Certain balances of trade receivable, loan & advance, trade payable and other liabilities are subject to confirmation and/or reconciliation.
- 34 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 ₹ 13,61,54,201/- has not been provided for.
- 35 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 ₹ 4,254.02 Lacs. The company had filed an Appeal before the CESTAT, Mumbai in the matter. Further in the similar case of Mumbai Plant, matter was decided in favour of company by the CESTAT, Mumbai for ₹ 9,074.37 Lacs.
- Since company has paid duty more than credit availed till that period and there are many legal cases in favour of company wherein, if the company has paid duty more than cenvat credit, there would be no question of cenvat reversal. Hence the outcome of the demand would be Nil as such.

**36 Segment Reporting:****i) Information about Business Segment ( for the year 2014-15 )**

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

**ii) Secondary Segments ( Geographical Segment )**

S. No.	Particulars	2014-15			2013-14		
		Within India	Outside India	Total	Within India	Outside India	Total
1	Revenue	7,55,083.58	1,39,363.51	8,94,447.09	-	-	-
2	Segment Assets	5,45,007.22	25,695.81	5,70,703.03	-	-	-
3	Capital Expenditure incurred during the year	5,695.01	-	5,695.01	-	-	-

(₹ in Lacs)

**37 Related Party Transactions****A List of Related Party & Relationship ( As identified by the Management )****a) Key Management Personnel :**

1	Shri Jitender Pal Verma (upto 23.03.2015)	Director - JSL Architecture Limited
2	Shri Rajiv Rajvanshi	Director - JSL Architecture Limited
3	Smt. Deepika Jindal Managing Director - JSL Architecture Limited	Managing Director - JSL Lifestyle Limited
4	Shri Ankur Agrawal	Director - JSL Media Limited, Green Delhi BQS Limited
5	Shri Anuj Jain Director - JSL Media Limited, Green Delhi BQS Limited Whole Time Director & CEO - JSL Lifestyle Limited	Director & CEO - JSL Architecture Limited
6	Shri Nirmal Chand Mathur	Director - JSL Architecture Limited.
7	Shri Rajesh Kumar Pandey (upto 20.05.2014)	Company Secretary - JSL Architecture Limited
8	Shri Ajay Kumar (w.e.f. 19.07.2013)	Whole Time Director - Jindal Stainless Steelway Limited
9	Sh. Sanjeev Sharma	Chief Financial Officer - Jindal Stainless Steelway Limited
10	Shri. Kuldeep Chander Gandralia	Director - JSL Architecture Limited (w.e.f 20.09.2014)

**b) Associates**

1	J.S.S. Steeltalia Limited
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**B Transactions :** (₹ in Lacs)

Description	For the year ended 31.03.2014						
	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
<b>Sale of Goods</b>	-	-	496.99	-	-	-	-
J.S.S. Steellitalia Limited	-	-	496.99	-	-	-	-
<b>Receiving of Services (Remuneration paid)</b>	339.68	-	-	-	-	-	-
Smt Deepika Jindal	121.81	-	-	-	-	-	-
Sh. Anuj Jain	127.12	-	-	-	-	-	-
Sh. Ajay Kumar	51.80	-	-	-	-	-	-
Others	38.95	-	-	-	-	-	-
<b>Sharing of Exp. Reimbursed/to be reimbursed</b>	-	-	0.30	-	-	-	-
J.S.S. Steellitalia Limited	-	-	0.30	-	-	-	-
<b>Sharing of Exp. Recovered/to be recovered</b>	-	-	25.35	-	-	-	-
J.S.S. Steellitalia Limited	-	25.35	-	-	-	-	-
<b>Outstanding Balance as on 31.03.2015</b>							
<b>Receivables</b>	-	-	324.75	-	-	-	-
J.S.S. Steellitalia Limited	-	-	324.75	-	-	-	-



**38 Earning Per Share ( EPS ) computed in accordance with Accounting Standard 20 " Earning Per Share ".**  
 (read with note no-26)

	( ₹ in Lacs)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>(A) Basic :</b>		
Net Profit/(Loss) after Tax as per P & L A/c	(804.01)	(0.23)
Weighted Average No. of Equity Shares for Basic EPS	21,84,79,115	1,00,000
Add : Weighted average of Potential equity shares converted during the year	78,95,890	-
Add : Weighted average of Potential equity shares outstanding as on 31st March, 2015	48,10,440	-
Weighted average No. of Equity Shares for Diluted EPS ( Face value ₹ 2/- per share )	23,11,85,445	1,00,000
<b>Basic EPS Per Share ( in ₹ )</b>	<b>(0.37)</b>	<b>(0.23)</b>
<b>Diluted EPS Per Share ( in ₹ ) *</b>	<b>(0.37)</b>	<b>(0.23)</b>
<b>Face Value Per Share ( in ₹ )</b>	<b>2.00</b>	<b>10.00</b>

\* effect being antidilutive, hence ignored.

- 39** Remuneration paid during the year by JSL Life Style Limited to the Managing Director amounting to ₹ 91,80,800/- including employer's contribution towards EPF of ₹ 7,24,800. The excess amount over the limit prescribed under section 197 read with schedule V of Companies Act, 2013 comes to ₹ 49,80,800 excluding employer's contribution towards EPF of ₹ 7,24,800. The company has applied for approval of the same with the central government under section 197 read with other relevant provisions of the Companies Act, 2013. Therefore, the excess remuneration of ₹ 49,80,800 is subject to the approval of central government. Also the excess remuneration of ₹ 37,06,500/- for earlier year (September, 2013 to March, 2014) is subject to approval of Central Government.
- 40** Figures in bracket indicate previous year figures.
- 41** Previous years' figures have been re-arranged and regrouped whenever considered necessary.

**42 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associate.**

( ₹ in Lacs )

Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit /Loss	
	As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount
<b>Parent Company</b>				
Jindal Stainless (Hisar)Limited	126.62	59,735.57	(153.23)	1,231.99
<b>Subsidiaries</b>				
<b>Indian</b>				
Jindal Stainless Steelway Limited	16.25	7,663.86	(86.14)	692.61
JSL Architecture Limited	(0.41)	(191.61)	65.16	(523.89)
JSL Lifestyle Limited	6.06	2,859.24	(102.53)	824.38
Green Delhi BQS Limited	(20.81)	(9,819.55)	70.38	(565.88)
JSL Media Limited	(7.10)	(3,350.49)	2.12	(17.04)
JSL Logistics Limited	0.12	56.73	1.70	(13.63)
<b>Minority Interest in all Subsidiaries</b>	<b>(4.82)</b>	<b>(2,275.18)</b>	<b>25.96</b>	<b>(208.76)</b>
<b>Associates(Investment as per equity method)</b>				
J.S.S.Steelitalia Limited	(0.85)	(399.97)	(0.01)	0.05
Consolidation Adjustments/Elimination	(15.05)	(7,102.04)	276.59	(2,223.84)
<b>Total</b>	<b>100</b>	<b>47,176.56</b>	<b>100</b>	<b>(804.01)</b>

**43 Note 1 to 43** are annexed to and form integral part of the Balance Sheet and Statement of Profit & Loss.

**AUDITOR'S REPORT**

In terms of our report of even date annexed hereto

 For **N.C. AGGARWAL & CO.**  
Chartered Accountants

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**(G. K. AGGARWAL)**  
Partner  
Membership No.086622  
FRN 003273N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

 PLACE: New Delhi  
DATED: 6th November, 2015

FORM AOC-1 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

( ₹ in Lacs )

Name of Subsidiaries	Reporting Period	Reporting Currency & Exchange Rate	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit/(Loss) before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Share holding
Jindal Stainless Steelway Limited	31 March, 2015	INR	1,716.69	5,947.17	44,365.12	36,701.26	971.32	1,31,914.64	1,084.57	391.97	692.61	-	81.911%
JSL Architecture Limited	31 March, 2015	INR	766.27	(957.88)	9,199.93	9,391.54	2.30	6,960.84	(796.31)	(272.42)	(523.89)	-	74.887%
JSL Lifestyle Limited	31 March, 2015	INR	2,267.81	591.42	8,390.42	5,531.19	-	9,633.65	1,161.04	336.66	824.38	-	78.470%
Green Delhi BOS Limited	31 March, 2015	INR	10.00	(9,829.55)	1,688.56	11,508.12	-	26.21	(565.84)	0.05	(565.88)	-	68.224%
JSL Media Limited	31 March, 2015	INR	5.00	(3,355.49)	508.13	3,858.62	-	29.03	(17.04)	-	(17.04)	-	99.940%
JSL Logistics Limited	31 March, 2015	INR	5.00	51.73	120.09	63.36	-	212.59	(19.73)	(6.10)	(13.63)	-	100.000%

Name of Associate	Shares of Associate held by the company on the year end				Profit/Loss for the year				
	Latest audited Balance Sheet Date	No.	Amount of Investment in Associate	Extent of Holding %	Net worth attributable to shareholding as per latest audited Balance Sheet	Considered in Consolidation	Not Considered in Consolidation	Description of how there is significant influence	Reason why the Associate is not consolidated
J.S.Steelitalia Limited	31 March, 2015	7713190	771.32	33%	371.35	0.05	5.99	% Holding	NA

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

PLACE: New Delhi  
DATED: 6th November, 2015

**Jindal Stainless (Hisar) Limited**

**(Formerly: Jindal Stainless (Hisar) Private Limited,  
KS Infra Tower and Landmark Private Limited)**

(CIN: U27205HR2013PLC049963)

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

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

Email Id. for Investors: investorcare.jshl@jindalstainless.com

Website: www.jindalstainless.com

Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110 066.

**E-COMMUNICATION REGISTRATION FORM**

To,

**Link Intime India Private Limited**

**(Unit: Jindal Stainless 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

**Green initiative on Corporate Governance**

I/we hereby exercise my/our option to receive all communications from the Company such as Notice of General Meeting, Explanatory Statement, Audited Financial Statements, Balance Sheet, Profit & Loss Account, Directors' Report, Auditor's Report etc. in electronic mode pursuant to the "Green Initiative in Corporate Governance" taken by the Ministry of Corporate Affairs vide circular no. 17/2011 dated 21st April, 2011. Please register my e-mail ID as given below, in your records, for sending the communications:

Folio No./ DP ID & Client ID No.: .....

Name of 1st Registered Holder: .....

Name of Joint Holder(s), if any : .....

Registered Address of the Sole/1st Registered Holder : .....

No. of Shares held : .....

E-mail ID (to be registered) : .....

Date : .....

Signature : .....

**Notes:**

- 1) On registration, all communications will be sent to the e-mail ID registered.
- 2) Shareholders are requested to keep the Company's Registrar – Link Intime India Pvt. Ltd. informed as and when there is any change in the e-mail address.

**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3)  
of the Companies (Management and Administration) Rules, 2014]

CIN: U27205HR2013PLC049963

**Name of the Company:** Jindal Stainless (Hisar) Limited  
(Formerly: Jindal Stainless (Hisar) Private Limited,  
KS Infra Tower and Landmark Private Limited)

**Registered office:** O.P. Jindal Marg, Hisar – 125005, Haryana

<b>Name of the member(s):</b>	
<b>Registered address:</b>	
<b>Email Id.:</b>	
<b>Folio No. / Client Id:</b>	
<b>DP Id.:</b>	

I / We, being the member(s) of ..... shares of the above name company, hereby appoint

- Name: ..... , Address: .....  
Email Id.: ..... Signature: ..... , or failing him
- Name: ..... , Address: .....  
Email Id.: ..... Signature: ..... , or failing him
- Name: ..... , Address: .....  
Email Id.: ..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 2nd Annual General Meeting of the Company, to be held on the 30th day of December, 2015 at 11:30 a.m. at Registered Office of the Company at O.P. Jindal Marg, Hisar – 125 005, Haryana and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
1.	To adopt Standalone and Consolidated Financial Statements of the Company including Report of Board of Directors and Auditors.		
2	(I). To appoint M/s Lodha & Co. and M/s S.S. Kothari Mehta & Co., Chartered Accountants as Joint Statutory Auditors of the Company and to fix their remuneration.		
2	(II). To appoint M/s. N.C. Aggarwal & Co., Chartered Accountants as Branch Auditors of Visakhapatnam division of the Company.		

Sr. No.	Resolution	For	Against
3.	Appointment of Mr. Ratan Jindal as a Director in the capacity of Non-Executive Chairman with payment of commission on profits of the Company		
4.	Appointment of Mr. Abhyuday Jindal as a Director in the capacity of Non-Executive Vice Chairman of the Company.		
5.	Appointment of Mr. Ashok Kumar Gupta as Director.		
6.	Appointment of Mr. Ashok Kumar Gupta in the capacity of Whole-Time Director, with remuneration, of the Company for a period of three years.		
7.	Appointment of Mr. T.S. Bhattacharya as an Independent Director.		
8.	Appointment of Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) as an Independent Director.		
9.	Appointment of Ms. Ishani Chattopadhyay as an Independent Director.		
10.	Ratification of the payment of remuneration to M/s Kabra & Associates, Cost Accountants, as Cost Auditors of the Company.		
11.	Authority to enter into related party contracts / arrangements / transactions.		

Signed this ..... day of ....., 2015

.....

Signature of shareholder

.....

Signature of Proxy holder(s)

Affix Revenue Stamp

**Notes:**

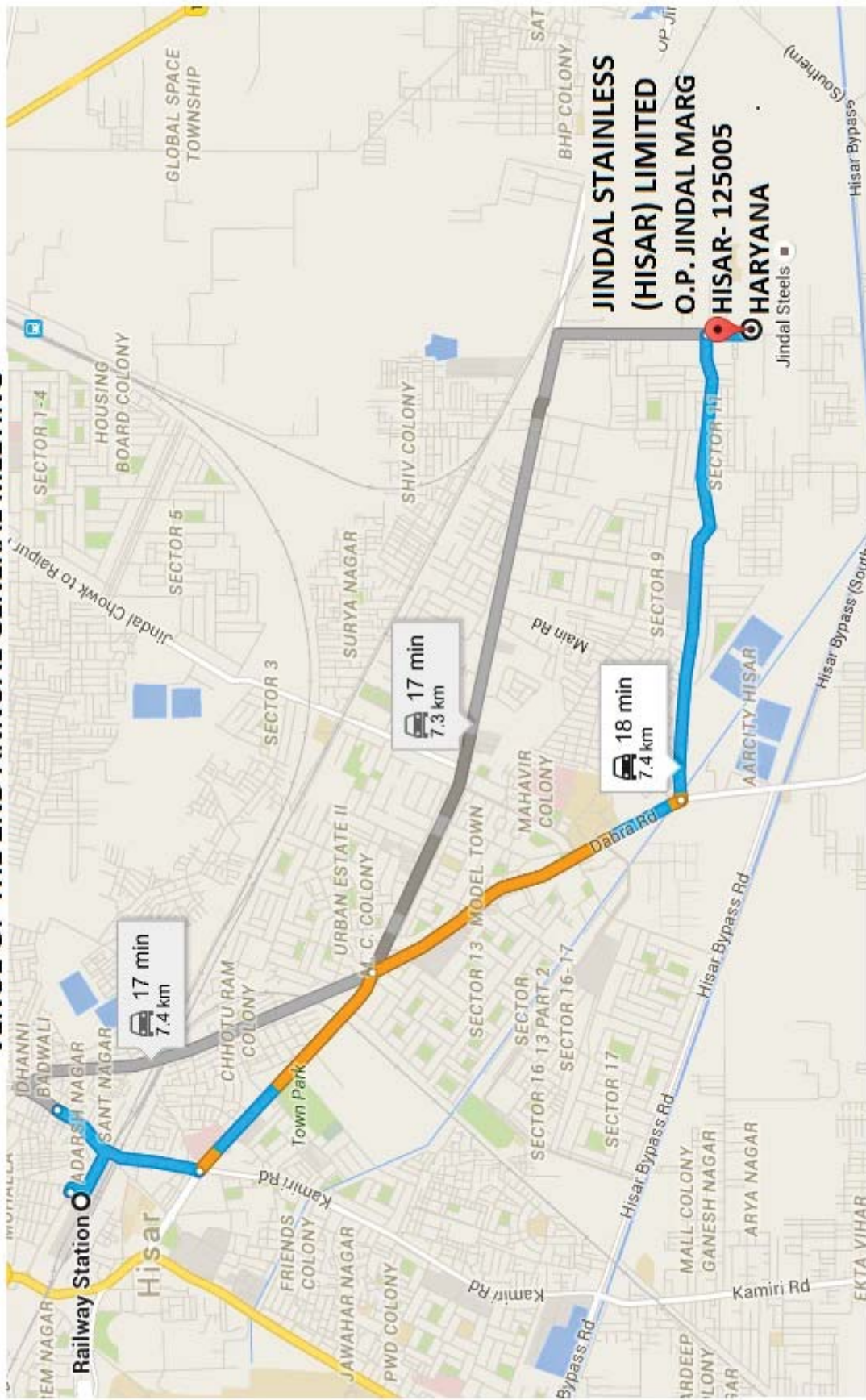
1. This form should be signed across the stamp as per specimen signature registered with the Company.
2. This form of Proxy, to be effective should be duly completed deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
3. A proxy need not be a member of the Company.
4. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. Please put a (✓) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. This is only optional.







# VENUE OF THE 2ND ANNUAL GENERAL MEETING





## SHAPING THE METTLE OF THE FUTURE GENERATION

In Ramayana one 'yug' is of 14 years and it takes a 'yug' or roughly 12-14 years to give shape to any large project from the drawing board to the actual shape at the ground level. In 1980s, in China, one of the bottle necks in their growth was knowledge of English at a mass level. The policy makers realized that they have to act fast otherwise they will miss the synergy of growth, by miles. They brought changes in their education system and today the growth trajectory has gone from strength to strength. In India, in the previous decade the journey started well in the beginning but by the end of the decade it started losing its shine. The power of democracy changed the policy makers and the initial sign now shows confidence for the future generation. The least a leader can give to the next generation is better future.

India's young age structure offers a potential demographic dividend for growth, but this potential will be realized only if the extent and quality of education and skill development among new entrants to the workforce is greatly enhanced. We will have to harness the creative capabilities of the billion plus innovative minds. Most of these are young minds - full of energy and aspirations. We will have to find new and radically different development models. One of the facts which bother us is that 70% of the population lives in the villages but 80% of the teachers are living in urban cities. The government has to take some drastic steps in the education system to make both the ends meet. The steps taken now will surely shape the mettle of the future generation. Some steps such as PPP model coupled with replica of IAS/IPS structure (and power) such as IES – Indian Education Services in the education system should start on priority.

The infrastructure gap is real and must be addressed expeditiously. The infrastructure sector has to take lead which will then give confidence and path for the remaining industries to follow suit. The government should spend at least 9% of GDP on infrastructure. The rail, road and the port (the advantage of being a peninsular country) sector will work as arteries in connecting and giving fuel to the growth. With India Inc still wary of fresh investments, the government is pulling out all stops to get stalled public investments off the ground and expedite big-ticket greenfield projects that have been on the drawing board for years. In the weeks, since it presented its first full-year Budget with a focus on reviving the economy through public investments, the present government has asked the Cabinet Secretariat to speed up implementation of over 135 public investment projects worth Rs 2.5 lakh crore by resolving red tape hurdles. Technology can play a role in bridging this gap to some extent, but provision of basic services and infrastructure is key to managing future growth.

As part of its social commitment enshrined in the 'Vision' statement of JSHL, 'to be admired as a socially responsible corporate', JSHL believes in first schooling its employees before reaching out to the external audience. The fact that the base should be firm before we dream of an awe-inspiring super structure is true as it is very important for the industry to sensitize their employees on real social issues and encourage volunteering in community work. This helps employees to understand the community in the vicinity of their areas of responsibility and in the process addresses issues relating to human rights and business.

With increased emphasis on sustainable economic development, JSHL has taken on the responsibility of remaining connected with the community by sharing its economic advantage through various community based programmes and initiatives. JSHL has undertaken a number of CSR initiatives like skill building and education, integrated preventive health, community development, women empowerment and entrepreneurship, livelihood programmes, human rights and business, advocacy and so on. Each of these activities are in a way preparing youths to face the challenges and threats of the contemporary world. Needless to say that, 'youths' are the spine of the Nation and appropriate training is vital to strengthen the spine further. JSHL believes in 'continuous professional development and learning' to keep its employees well-trained, motivated and productive, esp. in constantly changing technology and economies. Ongoing training not only keeps employees updated on new industry and organizational developments, but it also contributes to a satisfied and competent workforce. Thus, JSHL is not only shaping 'metal' but shaping mettle of the future generations!





## JINDAL STAINLESS (HISAR) LIMITED CORPORATE SOCIAL RESPONSIBILITY (CSR) VISION

With the intent of ensuring the principles enshrined in the CMD's Vision statement 'To be admired as a Socially Responsible Corporate', Jindal Stainless (Hisar) Limited, CSR efforts have remained focused on 'Making a difference in the lives of people', with a special reference to communities around the plant location. Such efforts are streamlined around sustainable models of development and growth. As signatories of the United Nations Women Empowerment Principles (WEP) statement of support and as one amongst the 32 members worldwide of the WEP Leadership Group, we have been entrusted with the responsibility of encouraging women to take on leadership roles, both within the Company as also outside.

Being a manufacturing and extractive industry, JSHL has to address a number of varied concerns of communities after understanding their needs. JSHL, besides addressing issues on women empowerment has undertaken projects like Skill training, Health care, creating awareness amongst women on issues relating to female feticide through the project 'Save the Girl Child'. In addition Community development, Business and human rights, and so on are having a positive impact amongst communities. Some of the key CSR interventions have been briefly elaborated in the subsequent paragraphs.

## Women Empowerment and Income Generation

The focus of the Women Empowerment Programs remains at strengthening the resolve of women to undertake various roles and display their leadership prowess. Efforts are being made to encourage women through either the self help group models or independently driven model of 'Women Owned Businesses'.

To promote and encourage women to participate in the family decision making process, we continue to evolve with an innovative project - 'Save the Girl Child', which addresses the issue of female infanticide. The project aims at creating awareness on a safe and healthy environment for the girl child and their Rights. Through a process of awareness campaigns and a door to door delivery mechanism put in place, efforts have started to show results as they suggest that institutional deliveries are now being encouraged in families. This in turn has a positive impact on improved infant mortality and morbidity rates as also on the overall health of a family.

It is interesting to note that over 1000 women through the model of 'Self Help Groups (SHG) have been engaged in financial literacy and financial inclusion and have been empowered adequately to open up their own bank accounts resulting in reasonably good savings. It is also prudent to mention that the women SHGs have been able to save large amounts and have started their own small inter linked business ventures. The initiative also encourages women to interact with each other on various topics from household chores to business relationships and the like.

## Organic Farming

There is an effort to promote organic farming through the concept of 'Farmer Clubs'. Regular interaction is carried out and linkages established with farmer producer organizations. Interestingly the concept of 'Trust' has picked up well with the farmers growing organic produce are getting a good price despite that the product is not certified as organic.

Skill Development - Skill Development training programs include computer education, dress designing and fashion technology, beauty culture, electrical courses, stainless steel fabrication courses etc. All these skill training programs have an inbuilt component of soft skill training. Our efforts are to provide employable skill sets and facilitate in students getting jobs.

## Health Care

The community health needs are being taken care through various interventions from mobile health vans to holding specialist camps in villages. Over 12,000 people from over 20 villages have availed of the opportunity and are treated for different ailments. In addition through a series of organised workshops we create awareness on HIV and AIDS and other diseases. The efforts are going to become more focused around specific diseases with a special mention of cancer and drug abuse, which through partner organizations are going to be addressed in a very deliberate manner.

## Business & Human Rights

In collaboration with the UN Global Compact Network and as members of the Global Business Initiative on Human Rights, JSL has been championing the cause and facilitated the creation of 'CEO Forum on Business and Human Rights', which meets periodically to address various issues around UNGPs.

## **CORPORATE OFFICE**

### **NEW DELHI**

#### **JINDAL CENTRE**

12, Bhikaji Cama Place, New Delhi - 110066, India

Phone : +91 - 011 - 26188345 - 60

Fax : +91 - 011 - 26170691, 26161271

Email : [info@jindalsteel.com](mailto:info@jindalsteel.com)

## **REGISTERED OFFICE**

### **HISAR**

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

Phone : 01662 - 222471-83

Fax : 01662 - 220476, 220499

Email : [info.jshl@jindalstainless.com](mailto:info.jshl@jindalstainless.com)

Email for Investors : [investorcare.jshl@jindalstainless.com](mailto:investorcare.jshl@jindalstainless.com)

## **MANUFACTURING FACILITIES**

### **HISAR**

O.P. Jindal Marg, Hisar - 125005 (Haryana), India

Phone : +91 - 01662 - 222471 - 83

Fax : +91 - 01662 - 220476, 220499

Email : [info.jshl@jindalstainless.com](mailto:info.jshl@jindalstainless.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](mailto:info.visakhapatnam@jindalsteel.com)

### **SUKINDA MINES**

Village Kaliapani and Forest Block No. 27,

Sukinda Tehesil, Jajpur District, Odisha, India

Phone : +91 - 011 - 26188345 - 60

Fax : +91 - 011 - 26170691, 26161271

Email : [info@jindalsteel.com](mailto:info@jindalsteel.com)