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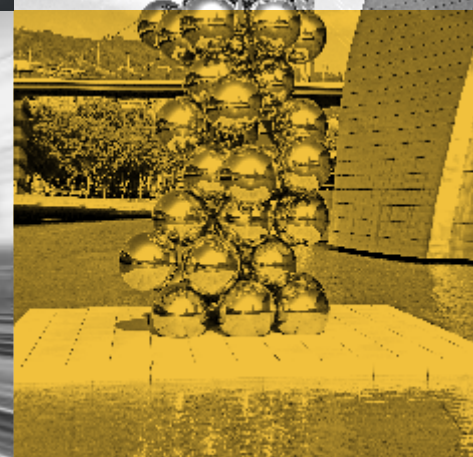
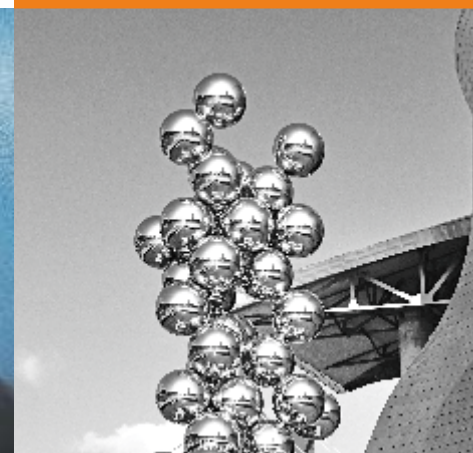
#### MANUFACTURING FACILITIES

##### HISAR

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# VISION

Improving lives through trustworthy and innovative stain-less solutions

#### Improving Lives

We will strive to improve lives of all our stakeholders (customers, suppliers, employees, shareholders and communities) and environment

#### Through Trustworthy

We will strive to be the most trusted and respected organization in the way we conduct ourselves with our employees, suppliers, shareholders, customers and communities and reflect our core of being truly stainless

#### And Innovative

We will always work towards innovating for better, be it processes, practices, solutions, delivering value added and innovative solutions to the world in our areas of work

#### Stain-less Solutions

We will strive to provide total solutions to our customers with reliable pre and post sale services and advisory. We will educate communities on properties (strong, versatile, corrosion resistant) and use of stainless steel and encourage downstream industries



# MISSION

To be a leading stainless steel company in the world

Forging reliable relationships with customers, suppliers, employees and all other stakeholders

Building strong capabilities driving innovative practices, high quality and competitive solutions

#### Leading Stainless Steel Company In The World

We will strive to be amongst the top stainless steel players in the world by increasing our capacity and its utilization resulting in revenue and net profit growth

#### Reliable Relationships With Customers, Suppliers and All Other Stakeholders

We will build long lasting relationships and uphold our commitment to the highest standards thereby becoming preferred choice for our customers, suppliers and stakeholders

#### Strong Capabilities

We will build or buy appropriate technology, focus on research & development and develop people capabilities

#### Innovative Practices

We will evolve best in-class innovative practices (business, manufacturing and people) to help our customers, suppliers, employees, shareholders and communities

#### High Quality

We will strive to offer stainless steel products and services of the highest quality that is required

#### Competitive Solutions

We will strive to provide agile, cost competitive and efficient stainless steel solutions to our customers; giving us an edge over our competitors



## FOUNDING PRINCIPLES



### Shri O.P. Jindal

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

The Hisar plant boasts fully integrated operations, providing for the stainless steel requirements of myriad applications including stainless steel coin blanks, stainless steel strips for razor blades, high nitrogen steel for Defence, high-end precision, long products and various specialised grades.

The life of Shri O.P. Jindal can be encapsulated in three words: Courage, Conviction and Compassion. An uninstructed engineering genius, his passion for machines was visible from his early childhood. This passion went on to assume iconic proportions when coupled with a vision of a self-reliant India.

Shri O.P. Jindal devoted his entire life to realise his vision of a self-sustained economy through industrial development, the first seed of which was sown in 1952 with a manufacturing unit in Howrah to make pipe bends and sockets. From there, he moved on to manufacturing of steel buckets and steel pipes, and finally, to establishing a fully integrated stainless steel plant in Hisar. Today, the Hisar plant boasts fully integrated operations, providing for the stainless steel requirements of myriad applications including stainless steel coin blanks, stainless steel strips for razor blades, high nitrogen steel for Defence, high-end precision, long products and various specialised grades. It is our honour and pride to expand the canvas of his imagination and nurture the dream he so fondly held.

At JSHL, we continue to draw inspiration from the largeness of his spirit and wisdom. His kinship for workers, his commitment to the larger common good and his gusto for entrepreneurship remain core to our way of being. His mettle shines in the very metal we produce. Absolutely stainless.

### Smt. Savitri Devi Jindal Chairperson Emeritus



Jindal Stainless (Hisar) Limited (JSHL) is committed towards inclusive growth and development in a sustainable manner and looks at 'Shared Value' through the prism of 'Beyond Business'. The activities being undertaken are aligned with what has been prescribed under Schedule VII to the Companies Act, 2013 with projects being undertaken after carrying out a detailed base line survey and assessing needs of communities ensuring the 'Bottom up' approach. The focus of all initiatives are enshrined in the Corporate vision statement "To improve lives through trustworthy and innovative stain-less solutions".

It gives me immense pleasure to share that despite major hurdles and challenges faced by the Company, JSHL serves the society with servitude fulfilling the dreams of the architect Late Shri O. P. Jindal ji, who during his life time served people with great humility.

I am sanguine with the effort directed towards projects on women empowerment because it is my belief that by 'empowering a woman you empower a family and



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in turn empower society'. With the innovative projects around education and skill development, I feel encouraged to see how communities have transformed their lives, which is visible on the faces of these women. Through "Save the Girl Child" initiative, we also focus on female foeticide which is a curse prevalent in the society. This project also promotes institutional deliveries and provides awareness sessions on women-centric issues.

I am happy to mention that we have also been working towards improving our organic farming practices and to provide a market for the organic produce grown by farmers.

Towards education, JSHL has introduced various Non-formal education centers for children 'Out of schools' together with computer literacy programs for the marginalized section of the society. To facilitate healthcare, JSHL has established mobile clinics'. Further, a well-designed HIV and Cancer detection program has been extremely beneficial to the people, especially to the trucker community.

I am sure with the model of 'pursuing with excellence' and under the guidance of the Chairman Shri Ratan Jindal, JSHL as a Socially Responsible Corporate, will continue to go from strength to strength.

## CHAIRMAN SPEAKS



Ratan Jindal  
Chairman

Dear Shareholders,

It is with a deep sense of satisfaction that I highlight the value that Jindal Stainless (Hisar) Limited has created for our shareholders in FY 2016-17. The year witnessed a slew of improvements across different work areas, carried out with the simple but solid principle of getting the basics right.

Performance in FY 2016-17 steadily improved over the past few years. Profit before depreciation, interest, exceptional items and taxes (EBIDTA) grew by nearly 15%, at ₹ 924 crore over ₹ 805 crore in FY 15-16. Our standalone gross revenue for the financial year ended on 31st March, 2017 stood at ₹ 7576 crore as against ₹ 7044 crore for the previous financial year, registering a growth of 7.5%. Your company's net profit jumped to ₹ 218 crore as compared to ₹ 25 crore in the previous fiscal.

The path to profitability was paved with considerable challenges. The first nine months of FY 2017 witnessed a staggering rise in imports, as dumping continued unabated by Chinese stainless steel producers. The situation was brought under some control, particularly for sub-standard goods, only after the imposition of Quality Control Order in February 2017. Demonetisation adversely impacted company's sales by affecting several of our end consumer segments, such as the consumer durables and automobile.

Notwithstanding these challenges, JSHL marched ahead on the path of sustainable growth. We took significant strides in maximizing

operational and production efficiencies. We made marked progress in customer experience by bettering our quality and enhancing our service and delivery standards. This was backed by enhanced emphasis on production and process enhancement, volume growth and operational excellence. Efforts done by JSHL collective in harnessing the power of IT substantially contributed to our growth story. All achievements scripted in the journey of JSHL are a result of our zealous and committed workforce. Without them, success is unimaginable.

In the field of specialized and high-end stainless steel solutions, Jindal Stainless (Hisar) Limited is a name to reckon with. Our coin blanks, precision strips and razor blade grade of steels command a global audience. In the near future, we target to improve our profitability and EBITDA margin by improving our product mix. We'll raise the percentage of value-added cold rolled products from the current level of 50% to 65% in our offerings. Our product diversification strategy of venturing into new sectors like defence and automotive continues in full swing.

The outlook for stainless steel sector in India is promising. The compounded annual growth rate for this sector is pegged at 7.5% over the next decade. Opportunities are galore in segments such as ART (Automobile, Railway & Transportation), ABC (Architecture, Building & Construction), process industries etc. Being the only

speciality stainless steel producer in India, JSHL is fully geared to stay ahead of the curve by making deep inroads into all these sectors.

We have embarked on a new journey to realize our Vision - Improving lives through trustworthy and innovative stain-less solutions. In a corrosion-prone tropical country like India, stainless steel assumes special significance as the metal of choice. Its resistance to temperature variations and corrosion, crash absorption capacity, low life-cycle & maintenance costs, aesthetic beauty, and hygienic properties make it a befitting choice for several industries. The importance of stainless steel as the most hygienic choice also finds resonance in the Swachh Bharat Abhiyaan. I am confident that with this vision, we will take our relationship with all our stakeholders, several notches higher.

A glorious history and a promising future together drive our fervour to succeed. I would like to thank all our stakeholders for their trust and continued support in us throughout this journey.

“

I am confident that with this vision, we will take our relationship with all our stakeholders, several notches higher.

## FROM THE VICE CHAIRMAN'S DESK



Abhyuday Jindal  
Vice-Chairman

Dear Shareholders,

It is my pleasure to present to you the developments at Jindal Stainless (Hisar) Limited in FY 2016-17.

At JSHL, growth goes beyond the tonnes of stainless steel we produce or the number of new customers we add. Growth to us is also about finding innovative solutions for all our stakeholders, optimizing efficiencies, and conserving earth's resources by producing lighter and stronger stainless steel. It is about saving lives by increasing shock absorption capacity of vehicles and eliminating maintenance costs by producing a metal which is corrosion resistant by its innate chemistry. It is about promoting sustainable living by means of an infinitely recyclable material.

“

Our company went on to unlock greater customer value through its intimate knowledge of markets and trends.

The year proved to be a major milestone for us. In addition to the strong operational and financial performance, we crafted new vision and mission statements to set the context for accelerated growth. We leveraged our product knowledge and R&D capabilities to make forays into the defence sector and signed a license agreement with the Defence Research & Development Organization (DRDO) for manufacturing high nitrogen steel (HNS) for armour applications. We engaged with employees to reinvigorate our culture and make it even more open, energetic, innovative and socially responsible. And we worked, in parallel, to strengthen our internal processes and IT systems to communicate actively with all stakeholders and build trustworthy relationships.

We are living in an age where product differentiation is key. Our company went on to unlock greater customer value through its intimate knowledge of markets and trends. Jindal Stainless Steelway Limited (JSSL), our service centre network, provided customized and just-in-time products and services to our customers.

Our cutting-edge technology in the Special Products Division, state-of-the-art research & development wing, superior knowledge of supply chain systems, extensive network of dealers, and a host of world-class stainless steel products have helped us foster an ecosystem of excellence. We will continue to use our competitive edge and leadership position to improve lives, as laid out in our new vision statement.

We are pushing the frontiers of our imagination. We are scanning our each undertaking to whittle down the superfluous and identify new opportunities of growth. Increasingly, we are moving towards a work culture of open communication and result-driven approach. We are deeply invested in our employees, our biggest strength. They are a pulsating repertoire of experience, wisdom and goodness. Their learning and development takes a pride of place in our business priorities.

I thank you for your continued partnership in our journey towards responsible, accelerated growth. Stay assured that our mettle is quite like our metal - self-correcting, reliable, inherently strong and stainless.



# JSHL HIGHLIGHTS

## Shipment Performance

### Black Coil

2015-2016 21,019 MT

2016-2017 26,795 MT

### Plate

2015-2016 38,054 MT

2016-2017 46,268 MT

### HRAP

2015-2016 94,211 MT

2016-2017 1,00,910 MT

### CRAP

2015-2016 2,63,270 MT

2016-2017 2,95,971 MT

### SPD

2015-2016 24,390 MT

2016-2017 26,927 MT

### Coin Blanks

2015-2016 3,776 MT

2016-2017 1,006 MT

## Production Performance

### SMS

2015-2016 6,53,176 MT

2016-2017 6,66,678 MT

### Steckel Mill

2015-2016 4,50,545 MT

2016-2017 4,96,150 MT

### Strip Mill

2015-2016 1,91,506 MT

2016-2017 1,52,850 MT

### HRAP Saleable

2015-2016 95,783 MT

2016-2017 1,09,449 MT

### CRAP Saleable

2015-2016 2,67,338 MT

2016-2017 2,75,345 MT

### SPD

2015-2016 24,679 MT

2016-2017 26,484 MT

## NEW PRODUCT APPLICATIONS

### Foraying into Uncharted Routes



#### Stainless Steel Fuel Tanks

Currently fuel tanks which are fabricated out of aluminised mild steel / galvanized steel, experience localised flaking off of the coating during welding and fabrication process. At these flaked off regions, the fuel comes in direct contact with the mild steel substrate and initiates the corrosion process. The corroded iron particles gradually clog the fuel tank nozzles, thereby necessitating frequent repair and cleaning of the fuel tanks.

Stainless Steel fuel tanks are immune from this problem since the corrosion resistance is provided by its innate chemistry and not through application of any physical coating. Due to its higher strength to weight ratio, Stainless Steel also enables reduction in thickness of the fuel tank components, resulting in weight savings of approximately 25 - 30%. The overall life cycle cost of using Stainless Steel fuel tanks is thereby lower than other alternative materials.

#### Key Projects:

- 350 litre capacity Stainless Steel fuel tanks being commercialised by Ashok Leyland.
- Stainless steel fuel tanks being developed by Volvo-Eicher Commercial vehicles.
- Stainless Steel fuel tanks being developed for Tata Motors for export vehicles.



#### Stainless Steel Exhaust systems for Commercial Vehicles

With the implementation of BS 4 emission norms, the particulate matter and NOX emissions in commercial vehicles have to be reduced by 50% each from the BS 3 levels. This mandates usage of after-treatment technologies like EGR or SCR, wherein there is an increase in the operating temperature and injection of corrosive chemicals like urea for SCR. Currently used material like aluminised mild steel are unable to withstand such high temperature and undergo corrosion in contact with urea.

Stainless Steel with its superior corrosion resistance, and higher oxidation and thermal fatigue resistance is the optimal material to be used for fabrication of exhaust systems.

#### Key Projects:

- Ashok Leyland
- Tata Motors (Heavy Commercial Vehicles)



#### Stainless Steel Bus Bodies

Bus Bodies having superstructure and inner / outer panels made out of painted mild steel, experience severe corrosion, specially in the coastal parts of India. Thus, the entire structure needs to be overhauled after every 3-4 years.

Stainless Steel (SS) with its superior corrosion resistance properties eliminates the need for repair and maintenance. Further, due to its higher strength to weight ratio, it enables reduction in the weight of the bus body by as much as 20%, thereby lowering the fuel consumption and increasing the tyre life. The overall life cycle cost of a stainless steel bus body is therefore significantly lower as compared to alternative materials. Stainless Steel also offers superior fire and crash resistance as compared to other alternative materials.

Stainless Steel components currently used in Bus Bodies are as follows:

- Superstructure
- Outer panels in painted condition
- Inner panels in bright finish stainless steel
- Floors/luggage compartments with SS chequered sheets.
- Grab poles/handrails with Unpainted SS tubes

#### Key Projects:

- Karnataka State Road Transport Corporation
- Telangana State Road Transport Corporation
- Andhra Pradesh State Road Transport Corporation
- Volvo
- KMS Coaches, Bangalore
- SM Kannappa, Bangalore
- Azad Coaches, Jaipur and Bangalore
- Goa State Road Transport Corporation

## INFRASTRUCTURE AND FACILITIES



**SMS**  
8,00,000

(India's First-Ever AOD to Produce Finest Quality of Stainless Steel)



**HR-Steckel**  
7,20,000

(World's only Twin-Stand 4-Hi Reversible Steckel Mill to Produce Hot-Rolled Coils)



**HR-Tandem Strip Mill**  
3,00,000



**HRAP & Plates Finishing**  
1,75,000



**Coin Blanking Division**  
10,000



**Cold Rolling**  
3,75,000

(Equipped with modern Z-Mills for Cold-Rolling and Continuous Annealing-Pickling Lines with online Skin-Passing & Tension Leveling facilities)



**Specialty Products Division**  
25,000

\*Capacities in TPA

## PRODUCT BASKET

Stainless steel (SS) is a generic term for a family of corrosion resistant alloy steels containing 10.5% or more chromium. All stainless steels have a tremendous resistance to corrosion. This resistance is due to the naturally occurring chromium-rich oxide film formed on the surface of the steel. Although extremely thin, this invisible, inert film is tightly adherent to the metal and extremely protective in corrosive environment. The film is expeditiously self repairing in nature, and the indentation due to abrasion, cutting or machining is hastily repairable in the presence of oxygen. In addition, stainless steel objects rarely become waste at the end of their useful life as this metal is 100% recyclable. Qualities like low lifecycle cost, high strength to weight ratio, aesthetic brilliance and easy clean ability makes SS the wonder metal for various applications.

Jindal Stainless (Hisar) Limited (JSHL) is India's first fully integrated stainless steel manufacturer with a capacity of 0.8 million tons per annum. JSHL is world's largest producer of Stainless Steel strips for razor blades and India's largest producer of coin blanks, serving mints worldwide. The Specialty product division caters to high end precision and specialty stainless steel requirements across the globe. JSHL's product range includes Slabs & Blooms, Hot Rolled Coils, Strips, Plates, Coin Blanks, Precision Strips and Cold Rolled Coils.



### Slab

Product	Max Width (mm)	Thickness (mm)
Slab	1280	200

### Plates

Product	Max Width (mm)	Thickness (mm)	
		Minimum	Maximum
Plates	1250	4.0	80





### HR Coil

Product	Max Width (mm)	Thickness (mm)	
		Minimum	Maximum
Hot Rolled Coil	1270	2.0	12.0
HRAP Coil	1270	2.5	8.0



### CR Coil

Product	Max Width (mm)	Thickness (mm)	
		Minimum	Maximum
CRAP Coil	1000	0.5	3.15
Coil	1250	0.5	3.15



### Precision Strips

The Precision Strips are rolled up to 0.05 mm in thickness. These strips are often the starting material for industries like Automotive, Electronics and Telecommunication, Health & Hygiene, Consumer Durables and Petrochemical Industry and exported as well. The customized chemical composition, extra-ordinary mechanical properties and precise dimensional and shape tolerance makes JSHL Precision Strips special.

**Blade Steel (Razor Blade)**  
The razor blade cold rolled strips of up to 0.076 mm thickness are produced in SPD division at JSHL and supplied to leading Indian and international razor blade manufacturers.



### Coin Blanks

JSHL has been supplying Stainless Steel coins blanks to the Indian Government Mint and Foreign Mints for making coins. The company has the capability of producing high quality Stainless Steel and non-ferrous coin blanks. The present installed capacity for coin blanking is 10,000 metric tons per annum.

## Stainless Steel Applications

### Stainless Steel Usages



#### Architecture Building Construction

Decorative and color coated Stainless Steel | Street furniture | Escalators, elevators | Claddings | Railings | Gates | Decorative Panels | SS Roofing Sheets | Railway station upgradation | Commercial Complexes | Sculptures & designer items | Home furniture



#### Process & Engineering

Nuclear grade SS for fuel containment and waste handling | Super critical boilers in power plants | Water treatment and drinking water supply | Desalination applications | Chemicals, petro-chemical & fertilizer plants



#### Automobile Railway Transport

Bus bodies | Exhaust systems, auto chassis, trims, suspension parts, fuel tanks, catalytic converters | Railway wagons and coaches | Metro coaches



#### Consumer Durables

Washing Machine | Microwave | Refrigerator | Components thereof



### Stainless Steel in Plumbing

Stainless steel pipes are being increasingly used for plumbing because stainless steel offers wide range of benefits, with particular importance attached to its hygienic properties, its resistance to corrosion, long life and low maintenance. It does not require painting and blends smoothly with modern interior design. It is also fully recyclable.

Stainless steel often enjoys life cycle cost advantages compared to other materials. Even though the initial costs may be marginally higher for stainless steel plumbing materials, the gap in installed cost is reduced by a fast and more efficient method of jointing. Low maintenance, low system downtime and replacement costs, long life etc. makes stainless steel the most attractive metal when compared to other materials.



### Stainless Steel in Chemical Industry

Probably the most demanding industries that use stainless steels are the chemical, processing and oil & gas industries. They have created a large market for stainless tanks, pipes, pumps and valves. One of the first major success stories for 304/316 stainless steel was the storage of dilute nitric acid as it could be used in thinner sections and was more robust than other materials.

SS pipes & tubes exhibit superior corrosion resistance, heat resistance and low-temperature properties & have been used as raw materials that can withstand harsh environments as seen in petroleum, brewery, sugar, refining, oil & gas industries.





### Stainless Steel in Beverage/ Dairy and Food Preparation and Processing

Materials for beverage, dairy and food preparation, processing and storage are required to maintain the integrity of the structure (i.e. to be corrosion resistant and sufficiently robust to withstand their service environment) and to be inert (i.e. to impart neither colour nor flavour to foodstuffs or beverages). Stainless steels are widely used in these applications because they are resistant to corrosion, inert, easily cleaned and sterilised without loss of properties, and can be readily fabricated by a variety of techniques.

### Stainless Steel In Architecture, Building & Construction

Stainless steel has been used in architecture, building and construction since its invention. Stainless Steel provides tremendous design flexibility to high profile projects while their strength and resistance to corrosion, wear and fire make them a practical long lasting choice for public and industrial buildings.

Worldwide stainless steels are being used for structural applications ranging from cutting edge architecture to infrastructure. Exceptional structural historical examples include the stainless steel concrete reinforcing bar in Yucatan, Mexico's Progreso Pier (1945); St. Louis, USA's Gateway Arch (1965); and the Louvre Pyramid in Paris, France (1989).



### Stainless Steels for Application in Automotive and Transport Sectors

Automotive and Transport sectors are making increasing use of stainless steels to reduce weight, improve aesthetics, enhance safety and minimize life cycle cost. Characterized by superior fire and corrosion resistance, they ensure safety and reliability. Since stainless steels exhibit superior combination of high strength, ductility, formability and toughness compared to other metals and alloys, the intrinsic weight of vehicle decreases and its load carrying capacity and fuel efficiency increases. Maintenance cost is naturally lower and stainless steel component at the end of its long life is easily recycled.



## HARNESSING THE POWER OF IT

To ensure highest standards for information security, process planning and data management, we, at Jindal Stainless (Hisar) Limited, have designed and implemented world-class next generation IT Infrastructure. With constant up gradation, Jindal Stainless (Hisar) Limited has been

leveraging its efforts towards creating a digital hub of information support system. Following are few initiatives taken in the year 2016-17:

### Migration to SAP HANA Enterprise Cloud

We are the first manufacturing

company in India to adopt this state-of-the-art technology (i.e., memory computing), wherein ERP has been upgraded and migrated to SAP HANA Enterprise Cloud. This enabled transformation in the utilization of ERP system for business transactions, business reporting for decision making. This has also made our business processes real-time and synchronized product / process flow and information flow. Transactions and Reports are 10-15 times faster in HANA system vis-a-vis a conventional ERP system.

### Process Simplification and Automation through SAP

Drive for Process simplification and digitization through SAP was intensified, Reports were automated and processes repetitive in nature were mechanized.

Automation of Reports: Following Reports were automated through e-mail from SAP:

- Raw material chemistry to vendors; Order allocation to KAMs; Saleable Production, Customer Complaints to Management and stake holders; Daily Dispatch email to customers at midnight

Process Simplification: Following processes were simplified by Automation:

- Receipt at Yards : Auto MIGO for Yards, Automatic Allocation of FG Stock for Material Transfer SO's from HR Plant to CR Plant, Automatic and bulk OBDs creation for PPC ( Hours to Minutes ) for Domestic Sales.





## Digitalization

### Training Management Portal (SARATHI)

Sarathi Portal is an end-to-end solution for Training management

across organization. Features of the portal include Training Need Identification (TNI), Training Plan, Scheduling of trainings, Attendance capturing, Training Reports and MIS, etc. Portal is integrated with PMS

(Performance Management System) for capturing of TNI. Training schedules are automatically emailed to participants through email workflows. Our breakthrough initiatives such as this brought home "Golden Peacock National Training Award" for the excellence in Training Management.

### Provident Fund (PF) Account Online

This portal provides Employees of JSHL to view balance and current year transaction in their PF account. A secured access control ensures that an employee can view only his own account. This facility is available to all members of JSHL PF trust.

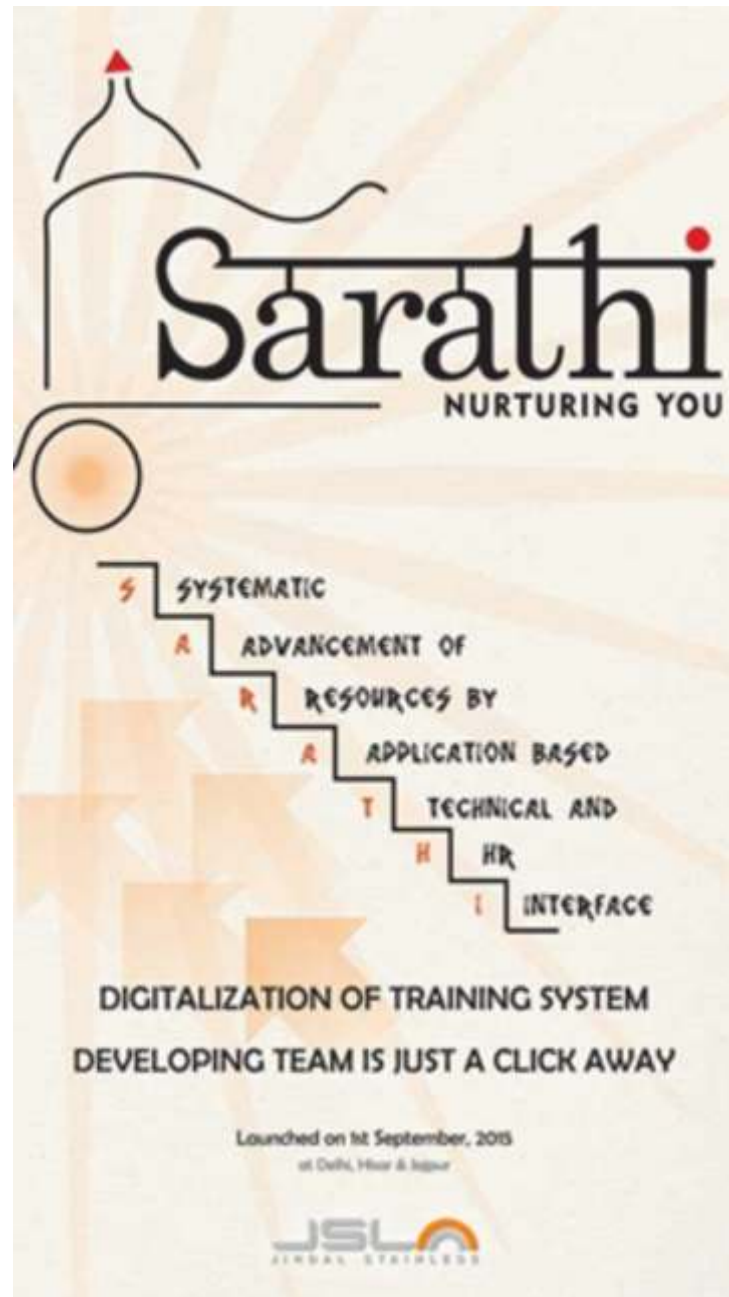
### Digitalization of Performance Appraisal System

We have digitized our entire Appraisal System from top level to workers. Digitalization has resulted in not only a faster PMS cycle, but also helped save paper and strengthened our commitment for a green environment.

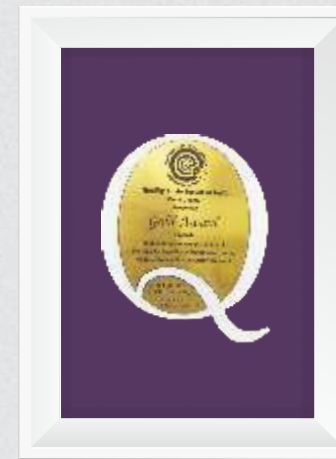
Besides, we are driving many Paperless initiatives enabled by digitalization, which helped us to reduce our paper consumption by 30% this year.

### E-signature Verification System

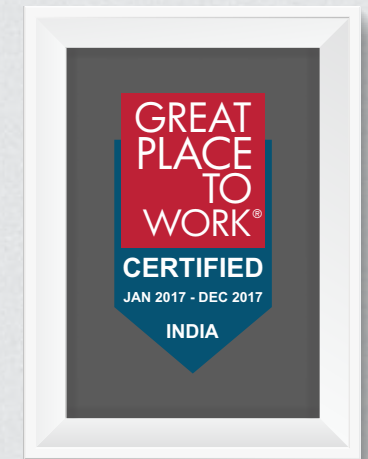
E-Sign was developed and deployed for Plant Stores Issue to enable Signatures verification in Material Issue Requests. This has reduced the cycle time in inventory issue process.



## AWARDS & ACCOLADES



CCQC (Chapter Convention on Quality Circles) 2016 (Delhi Chapter, Dharuhera) "Gold Award" won by Quality Circle Teams



Great Place to Work 2017



"NCCQ (National Convention on Quality Circles) 2016, Raipur" "PAR EXCELLENCE" Award won by Quality Circle Teams



"Golden Peacock National Training Award 2017"



"ASSOCHAM - Waste to Wealth Award "Waste Management Excellent Award 2017" Best Technology Used in Industrial Waste Management



## UNLEASHING PEOPLE POWER



The sheen of stainless steel products of Jindal Stainless (Hisar) Limited is a reflection of the quality of its people. We are fully aware that in a highly replicable age of technology, the true cutting-edge differentiation lies not in machinery or technology, it lies in People.

While the organization continued to adopt the outside-in approach to bring delight to customers, it led a focused Inside-out campaign to re-define benchmarks. Sustained learning and development initiatives were introduced to heighten result-orientation, harness latent potential, foster team spirit and combine business imperatives with personal growth. The organization built several platforms to nurture camaraderie at workplace and augment innovative & proactive work practices. Harnessing the power of IT in Human Resource Management, JSHL digitized all its HR processes, including knowledge management systems and critical talent pool creation for outstanding performers. The automation of Talent Acquisition was ushered in to strengthen the recruitment processes by integrating sources, processes, people and locations to a unified platform.

Though learning and development remained to key to developing a relevant and impactful work culture, JSHL maintained its dedication to 'Hire Right' through its Talent Acquisition Process. During FY 16-17, 114 employees were added to our rolls which included 23 GETs (Graduate Engineer Trainees) from premier engineering colleges of India. The employee strength of JSHL stood at 2331 as on 31st March 2017.



Following the unveiling of the new Vision and Mission statements for JSHL, an empirical approach to measuring success was undertaken at all levels of the organization through the Balanced Score Card (BSC). By aiding employees to ask and answer the most vital business questions, the BSC mapped a strategy to move from existing levels of performance to desired levels of performance. The activity was carried out across all functions and has now been made central to all management processes. This has ensured synergies that different functions work in synergy together to realize the vision and mission of the company.

JSHL remained steadfast on its commitment to further a High-Trust, High-Performance Work Culture. The organization successfully accomplished the milestone of being Great Place to Work-Certified™. By participating in this rigorous assessment, we put ourselves through the litmus test of employee engagement and emerged with encouraging results. This marked a milestone in the evolution of our HR practices, and provided us with a clear insight for deeper and better engagement. JSHL's culture of inspiring and being inspired through enriching and

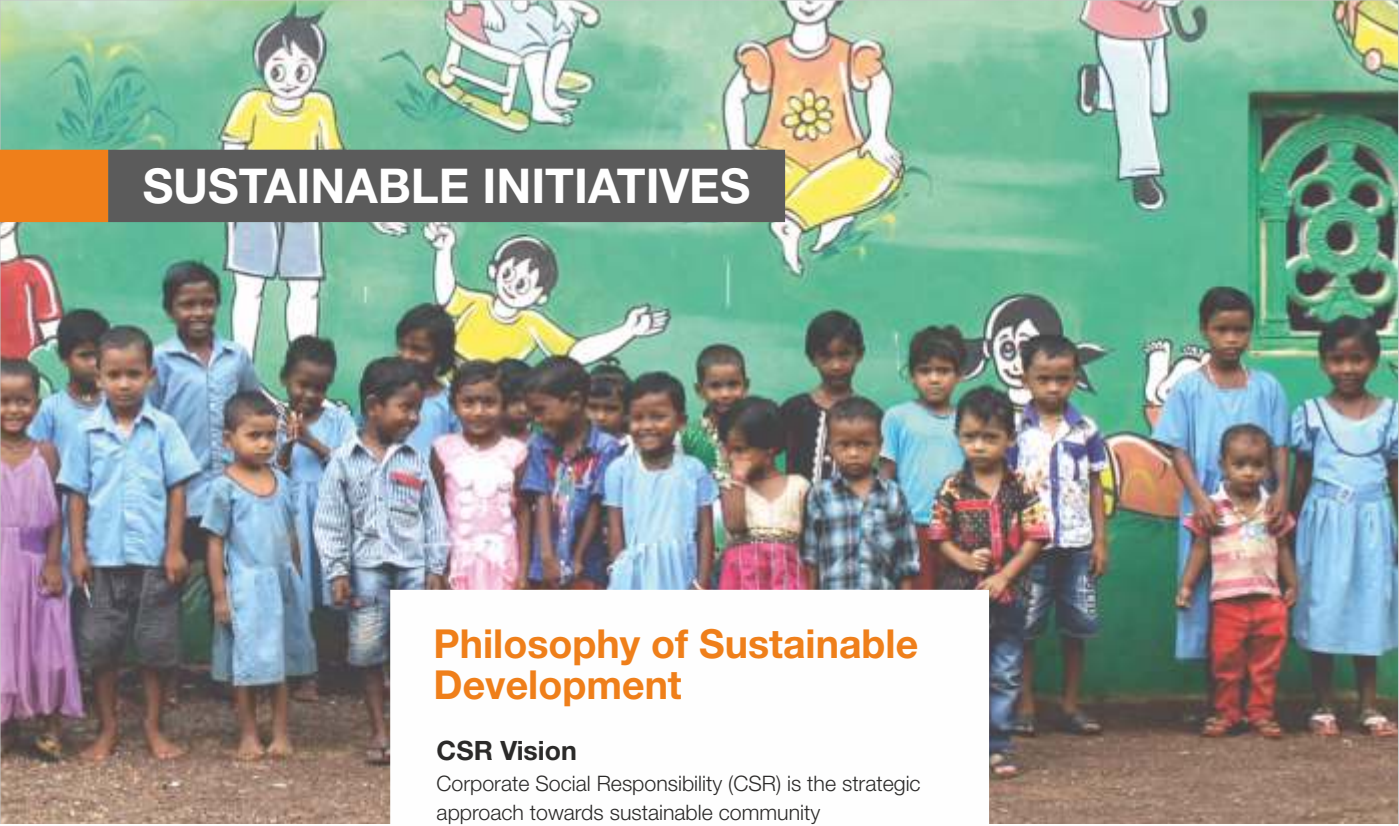
meaningful human relations was recognized at an apex level. The company bagged the prestigious "Golden Peacock Training Award – 2017" for its 'Excellence in Training'. The overall training mandays for JSHL for FY 2016-17 stood at 11328.

At JSHL, work-life balance is not just a concept but a way of life. Anchored in the principles of sustainable living, JSHL promotes health and well-being among all its stakeholders, including employees. In FY 16-17, JSHL launched a Wellness Calendar with a smorgasbord of positive actions meant to enhance employees' lifestyles. Various camps and awareness sessions were organized every month roping in Health Experts from reputed hospitals to coach employees.

JSHL is currently at the cusp of a cultural change. Systematic learning and unlearning mechanisms are in place to ensure that the organization remains agile to a rapidly, and often radically, changing marketplace. Every-day, we aim to be more creative than the last. Every-day, our enterprising employees seek and find innovative solutions to improve the lives of all our stakeholders.



# SUSTAINABLE INITIATIVES



## Philosophy of Sustainable Development

### CSR Vision

Corporate Social Responsibility (CSR) is the strategic approach towards sustainable community development and the key to inclusive growth. With that as a focus, JSHL's Corporate Vision is "Improving lives through trustworthy and innovative stain-less solutions".

Aligned to its vision, the Company through its Foundation has a wide range of social development programs initiated around its Corporate offices, Plant locations and factories with the aim of empowering communities and bringing succor to their woes. In addition, efforts are being made to sensitize employees on social issues and get them engaged in community work through volunteering programs. This has given our stakeholders including the employees, the community, and others in the supply chain, an opportunity to get connected with each other especially in the immediate operational space. Jindal Stainless (Hisar) Limited has established links with various National/International CSR initiatives and stressed upon participatory approach of Programme Development and Design.



## Jindal Stainless Foundation

JSL Foundation, a registered society under the Registrar of Societies, was established with the aim of implementing various social and environmental initiatives through direct & indirect methods.



Mrs. Deepikka Jindal, Chairperson Jindal Stainless Foundation, provides the overall guidance for the CSR initiatives. Direct interventions are carried out by professional and experienced CSR team members at plant locations, and programs are also implemented through reputed national and international civil society and Non Government Organizations. We believe that "CSR is the direct connect between "Head & Heart" and can only be achieved when the professional understands and speaks the "Language of Heart."

### Aim

Mainstreaming Communities at the Bottom of the Pyramid



### Philosophy

To address key social developmental issues and encourage all stakeholders to get engaged through Focused Sustainable Interventions with the aim of achieving the overall vision of JSL of improving lives through trustworthy and innovative stain-less solutions



### Objectives

- To work towards Social advancement of all stakeholders to include i.e. communities and their families
- To work with farming communities toward doubling their incomes through technology based solutions and promoting climate adaptation practices
- Empower Rural Youth and Women through skill enhancement and promoting entrepreneurship
- Provide basic amenities to rural communities living around our areas of operations i.e. Primary Health, Basic Education etc.
- To work towards Environmental Protection
- To provide an enabling environment and promote best practices
- To ensure a proper reporting structure







## Promoting Gender Equality and Empowering Women

Mr. Ratan Jindal, Chairman of Jindal Stainless (Hisar) Limited (JSHL), has clearly articulated his resolve of 'Responsible Business' in the Company's Vision Statement 'Improving lives through trustworthy and innovative stainless solutions'. To improve the lives of women, besides the activities linked towards sustainable growth, Mr. Jindal has signed the United Nations (UN), 'CEO Statement of Support on Women Empowerment Principles (WEP)' and Jindal Stainless as a member of the UNGC, is committed towards embracing the 10 UNGC principles. Since signing the 'CEO Statement of Support on WEP', the company has increased its representation of women in the work force, which is a major shift in policy as steel and mining industries as a practice have a thin presence of women due to the intense nature of work. However, the Chairman has encouraged women to join the workforce and set an example of promoting women with equal opportunities.

JSHL is streamlining the Women Empowerment Principles within the company and has come up with safety guidelines for women. The company is encouraging women to apply for managerial positions.

JSHL also has a strong Internal Complaints Committee. A policy for prevention of sexual harassment at workplace and guidelines toward safety of women employees are in place.



## CSR Activities

### International Women's Day

International Women's Day (IWD) was celebrated at on 8th March 17. The theme for IWD this year was "Be Bold for Change".

### Stainless Steel Application Training Program in Rohad

Jindal Stainless has initiated a new project in Rohad this year in consortium with partners like Xyneto, UNDP, IKEA, Indian Development Foundation and Lok Bharti Education Society. The project aims at skill development and training of women, thereby creating employment opportunities for them in stainless steel industry. The training is imparted to equip them with the knowhow of various processes including cutting, welding, polishing, packing, as well as on quality control and quality assurance of stainless steel.

Once the training is over, these women are provided with the placement support and employment opportunities at Jindal Stainless. This year, 76 of these women were employed in the factory.





## Promoting Gender Equality and Empowering Women

### International Women's Celebration

The guest speakers spoke on the UN Theme "Be Bold for Change". The message was on empowering women and girls and help them achieve their ambitions, challenge conscious and unconscious bias, call for gender-balanced leadership, value women and men's contributions equally, and create inclusive flexible cultures.

### Save the Girl child

'Save The Girl Child' project has been initiated to deal with female foeticide which is a curse prevalent in the society. The intention of the project is to create awareness towards female child. The project also aims to empower women through various training and awareness sessions so that they can fight for injustice against them especially pertaining to female foeticide. 'Save the Girl Child' project team worked with 200 women residing in Satrod of Hisar Cantonment Area in collaboration with Indian Social Service.

The project also provides training on following issues:

- Adolescent girls and health
- Women and Violence
- Child Abuse
- Girl Child Labour and leadership
- Parent Child Relationship



## Promoting Education & Enhancing Vocational Skills

### Hole in the Wall (HIWEL)

HIWEL takes the Learning Station to the playground, employs a unique collaborative learning approach and encourages children to explore, learn and just enjoy. It facilitates learning for the marginalized children, by providing unconditional and public access to computers through its Learning Stations installed in the community.

The children access these learning stations for enhancing their learning graphs. Assessments were being carried out by experts from NIIT Foundation to measure the performance of the children using the E-Learning Stations. Approx. 600 students are accessing the systems & operating the computer systems monthly on their own for enhancing their knowledge and skill in a playful manner.

Impact:-

- The open space and peer group learning works naturally for the kids.
- 90% of students don't have computers at home and access the learning station to study. Minimally invasive learning methodology is very useful for students and the assessment has shown tangible impact in acquisition of academic and computing skills.
- Parents and teachers have shown a positive response from both the communities towards the usage of Hole-in-the-Wall learning system.
- The teachers from Defence Public School have been utilizing the learning station for teaching.



### Skill Training-Dress Designing and Fashion Technology

SSTI in collaboration with USHA International Ltd trains women and girls in Sewing, Design and Embroidery courses. Exhibitions were organized to showcase the dresses and handicrafts. A three day training program on Fevicryl hobby was organized for the students and they were oriented on various forms of painting such as fabric painting, thumb painting, wet painting, stencil painting, vegetable painting, block painting and designing etc. The course was certified from Jindal Stainless Foundation.

### O P Jindal Vikas Kendra

JSHL's Skill Development Program also covers underdeveloped colonies like Shiv Colony at Hisar. Under this initiative, two training centres for women have been established where following courses are being taught:

- Cutting and tailoring
- Embroidery
- Handicraft items

This opportunity is extended to the vulnerable women of these colonies to make them self sufficient and economically independent. They are also imparted with necessary trainings and awareness sessions.

In 2016-17, total of 159 women received training under this initiative.



## Promoting Preventive Health care

### Mobile Health Van Dispensary

Mobile Health Van Integrated Health Care programs have been designed to address both preventive and curative health. Ten villages are touched every fortnight by the medical team of NCJH. The health van reaches out to communities, which have little or no access to healthcare facilities. The medical outreach program for the rural communities has rendered medical services to patients besides giving awareness sessions on various diseases such as Allergic Diseases (Asthma/ Respiratory disease), prevention and early detection of Cancer, Water Borne Diseases, Mosquito and Insect borne diseases. A total of 8190 patients have benefited by this initiative in the year 2016-17.

### HIV/AIDS Volunteer Program

To combat the menace of HIV, JSHL, in association with Modicare Foundation, introduced the HIV/AIDS Volunteer program. The Master Trainers, after receiving sufficient training, counsel people on issues pertaining to the spread of this epidemic, safe practices, myths & misconceptions and support systems for HIV. These trainers reach out to new people at various locations such as hospital parks, canteens, shops, cab centers, villages, companies and also at vulnerable pockets such as, migrants, labors, truckers & their associates, industrial workforce, women working in industries etc. Post project period, a core committee is formed to sustain the project. The committee is responsible for carrying out the program by spreading the message and sensitizing the communities in and around the workplace and in the society at large. Total 920 people were sensitized in groups and 511 people were counseled through individual sessions.

### NGO partner Cancer Roko: Cancer Detection and Awareness Camp

To spread awareness among the community about cancer and its early detection and treatments, 12 camps were organized in association with NGO partner Cancer Roko. These camps covered screening of Breast, Cervical and Oral Cancer. Doctors working at the Cancer Wing of NC Jindal Hospital (NCJH) counseled villagers and apprised them on the treatment of Cancer at NCJH at nominal costs.



## Ensuring Environment Sustainability and Ecological Balance

### Organic Farming Project

Facilitating for growing organic produce has been one of the major activities of CSR for the past 8 years. The project has been active in four villages with total of 25 farmers. Necessary training and continuous support is being extended to the farmers including inputs for land preparation by using compost and soil enriching techniques, treatment of the seeds, crop rotation, mixed cropping etc.

The farmers were linked to the Vital Organics and Organic Outlet for the supply of vegetables, groceries and milk. Organic vegetable stalls were organized at JSHL & NC Jindal Hospital and the amount of Rs. 165,000 have been collected from the sale.

In addition, interface meetings were organized by the experts of LUVAS (Lala Lajpatrai University of Veterinary and Animal Science) on Dairy Farming at Momenpura Village. They motivated the farmers to adopt dairy farming as an allied activity along with sharing agriculture information on animal breeds, milk production, costing, disease management common amongst buffaloes / cows. The farmers also attended Krishi Darshan Expo, an exhibition organized by Ministry of Agriculture and Farmers Welfare at Tractor Training Centre, Hisar.



### Skill Training (Sambhav & JIPL)

The one year project was inaugurated on 16th March 2016 and the 1st batch commenced from March 2016. It was expected to complete in February 2017, but was given an extension of 3 months. 557 students were trained in 5 batches in the areas of BPO, BFSI, B&W & RDS and 274 (49%) students were placed under the program.

### Student Internship

Internship program at Jindal Stainless (Hisar) Limited has seen students from various colleges and streams every year. The program is designed to provide practical learning and creative approach in the fields of Strategic Philanthropy and Corporate Social Responsibility (CSR). As interns, the students are given ample opportunities to work with women, youth, farmers, children etc and learn memorable experiences together with great exposure and new methodologies towards social change in India. The report submitted at the end of the program captures the essence of the projects, case studies, suggestions and their experiences.

**Chairperson Emeritus**  
Savitri Jindal

**Chairman**  
Ratan Jindal

**Vice Chairman**  
Abhyuday Jindal

**Whole Time Director**  
Ashok Kumar Gupta

**Directors**  
Deepika Jindal  
Kanwaljit Singh Thind  
Girish Sharma  
Arunendra Kumar  
Nirmal Chandra Mathur

**Chief Financial Officer**  
Ankur Agrawal

**Company Secretary**  
Bhartendu Harit

### Working Capital Bankers

Axis Bank  
Bank of Baroda  
Canara Bank  
ICICI Bank  
Punjab National Bank  
State Bank of India  
State Bank of Patiala  
Standard Chartered Bank

### Statutory Auditors

M/s. Lodha & Co.  
Chartered Accountants  
M/s. S.S. Kothari Mehta & Co.  
Chartered Accountants

### Secretarial Auditors

M/s. Vinod Kothari & Co.  
Practicing Company Secretary

### Cost Auditors

M/s Kabra & Associates  
Cost Accountants

### Registered Office

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

### Works

Hisar (Haryana)  
Kothavalasa (Andhra Pradesh)



**JINDAL STAINLESS (HISAR) LIMITED**

(CIN: L27205HR2013PLC049963)

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

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

Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi– 110066.

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

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

**NOTICE**

**NOTICE** is hereby given that the 4th **Annual General Meeting** of members of **Jindal Stainless (Hisar) Limited** will be held on **Tuesday, the 26th day of September, 2017 at 01:00 P.M. at Registered Office** of the Company at O.P. Jindal Marg, Hisar – 125005 (Haryana) to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt
  - (a) the audited standalone financial statements of the Company for the financial year ended on 31st March, 2017, 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, 2017 and the reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Kumar Gupta (DIN: 01722395), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify appointment of the Statutory Auditors and the Branch Auditors and to fix their remuneration and in connection therewith, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions:
  - I. **"RESOLVED** that pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and pursuant to the resolution passed by the Shareholders in the 2nd Annual General Meeting of the Company held on 30th December, 2015, appointment of M/s. Lodha & Co. Chartered Accountants (Firm Regn.No. 301051E) and M/s. S.S. Kothari Mehta & Co., Chartered Accountants (Firm Regn. No. 000756N), 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, which was subject to ratification at every AGM, be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of the 5th Annual General Meeting to be held in the year 2018, at such remuneration, plus service tax, out of pocket expenses, travelling and boarding and lodging expenses etc., as may be decided by the Board of Directors of the Company."
  - II. **"RESOLVED** that pursuant to the provisions of Sections 139, 142, 143(8) and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and pursuant to the resolution passed by the Shareholders in the 2nd Annual General Meeting of the Company held on 30th December, 2015, appointment of M/s. N. C. Aggarwal & Co., Chartered Accountants (Firm Regn. No. 003273N), as branch auditor 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. up to the conclusion of its 7th Annual General Meeting, which was subject to ratification at every AGM, be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of the 5th Annual General Meeting to be held in the year 2018, at such remuneration, plus service tax, out of pocket expenses, travelling and boarding and lodging expenses etc., as may be decided by the Board of Directors of the Company."

**SPECIAL BUSINESS:**

**TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTIONS:**

**4. AS A SPECIAL RESOLUTION:**
**PAYMENT OF COMMISSION TO MR. ABHYUDAY JINDAL, NON EXECUTIVE VICE CHAIRMAN OF THE COMPANY.**

**"RESOLVED** that in furtherance to the resolution passed by the members at the Annual General Meeting of the Company held on 30th December, 2015 and pursuant to the provisions of Sections 197, 198 and any other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, as may be amended from time to time, and subject to all necessary consents and approvals, consent be and is hereby accorded to the Board of Directors of the Company to make payment of commission to Mr. Abhyuday Jindal, Vice Chairman (Non-Executive), up to 1.5% of the annual net profits of the Company, as calculated in terms of provisions of Section 198 of the Companies Act, 2013, every year commencing from 1st April, 2017, as may be recommended by the Nomination and Remuneration Committee of the Company, keeping in view the performance of the Company, the contribution of Mr. Jindal and all other relevant factors, in such a manner that the actual percentage of commission to be paid to Mr. Abhyuday Jindal each year will be within the overall limit of 1.5% of the annual net profits of the Company for that relevant year."

**"RESOLVED FURTHER** that consent be and is hereby accorded to make payment of commission to Mr. Abhyuday Jindal, in advance, periodically after approval of quarterly results of the Company by the Board, subject to such payment being adjusted at the end of every financial year on the basis of computation of annual profits under Section 198 of the Companies Act, 2013."

**"RESOLVED FURTHER** that the Board of Directors and / or Nomination and Remuneration Committee of the Company be and is hereby authorized to vary / revise the terms of appointment including but not limited to the commission payable to Mr. Abhyuday Jindal, Vice Chairman and settle any question or difficulty in connection therewith and incidental thereto."

**5. AS AN ORDINARY RESOLUTION:**

**RATIFICATION OF REMUNERATION TO BE PAID TO M/S RAMANATH IYER & CO., COST ACCOUNTANTS, AS COST AUDITORS OF THE COMPANY, FOR THE FINANCIAL YEAR 2017-18.**

**"RESOLVED** that pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 1,75,000 (Rupees One Lakh Seventy Five Thousand only) fixed by the Board of Directors of the Company to be paid to M/s Ramanath Iyer & Co., Cost Accountants (FRN: 000019), 808, Pearls Business Park, Netaji Subash Place, Delhi-110034, the Cost Auditors for the financial year 2017-18 relating to Steel business of the Company, be and is hereby ratified."

**"RESOLVED FURTHER** that 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."

**6. AS AN ORDINARY RESOLUTION:**

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

**"RESOLVED** that pursuant to the provisions of Sections 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 read with rules related thereto, Regulation 23 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), associate of the Company, both being 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 upto ₹ 1,500 Crore (Rupees One Thousand Five Hundred Crore only) for JSSL and ₹ 2,000 Crore (Rupees Two Thousand Crore only) for JSL every financial year on such terms and conditions as may be mutually agreed upon between the Company and JSSL and JSL."

**"RESOLVED FURTHER** that the Board of Directors be and is 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 is 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 is 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 resolution."

**By order of the Board**

**(Bhartendu Harit)  
Company Secretary**

**Registered Office:**

O.P. Jindal Marg  
Hisar – 125 005, Haryana.  
August 7, 2017

**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. Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolution or authority as applicable.
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. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of the persons seeking appointment/re-appointment as Director, are also attached.
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 1:00 PM.
7. The business of the meeting may be transacted by the members through remote electronic voting system. Members who do not have access to remote 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 the Company's website www.jshlstainless.com. However, the duly completed Ballot Form should reach the registered office of the Company not later than Monday, 25th

September, 2017 (5:00 p.m.). A Member can opt for only one mode of voting i.e. either through remote e-voting or by physical Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and voting done through physical Ballot shall be treated as invalid.

8. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date 19th September, 2017 and as per the Register of Members of the Company. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
9. In case of joint holders attending the Meeting, only the Member whose name appears first will be entitled to vote.
10. Any Member, who has already exercised his votes through remote E-voting, may attend the Meeting but is prohibited to vote at the meeting and his vote, if any, cast at the meeting shall be treated as invalid.
11. At the end of the discussion of the resolution on which voting is to be held at the AGM, the Chairman shall with the assistance of the Scrutinizer allow voting for all those Members who are present but have not cast their vote electronically using the remote E-voting facility.
12. The route map showing direction to reach the venue of the Meeting is annexed and forms part of the Notice.

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

##### ITEM NO. 4

Mr. Abhyuday Jindal was appointed as a Non Executive Vice Chairman (liable to retire by rotation) of the Company on the terms and conditions as approved by the Shareholders of the Company in their Annual General Meeting held on 30th December, 2015.

Mr. Abhyuday Jindal, Vice Chairman of the Company has been actively involved with the management team in guiding them in the present and proposed endeavours of the Company. The Company is benefited by his valuable guidance. Keeping in view his role and the time spent by him as Vice Chairman of the Company, the Board of the Directors has in its meeting held on 7th August, 2017 on recommendation of the Nomination and Remuneration Committee, approved payment of commission to him upto 1.5% on the annual net profits of the Company, as calculated in terms of the provisions of Section 198 of the Companies Act, 2013, every year commencing from 1st April, 2017 as per terms and conditions mentioned in the resolution.

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.

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 a Special Resolution to the Shareholders for their approval.

Mr. Abhyuday Jindal, being concerned, and Mr. Ratan Jindal and Mrs. Deepika Jindal, being relatives 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 is, in any way concerned or interested, financially or otherwise, in the above referred resolution.

##### ITEM NO. 5

Pursuant to Section 148 of the Companies Act 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended and 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 7th August, 2017, on the basis of recommendations of the Audit Committee appointed M/s. Ramanath Iyer & Co., Cost Accountants, 808, Pearls Business Park, Netaji Subash Place, Delhi-110034, as Cost Auditors to conduct audit of cost records of the Company for the financial year 2017-18 in respect of business activities relating to Steel business and subject to ratification by shareholders, fixed their remuneration at ₹ 1,75,000 (Rupees One Lakh Seventy Five Thousand only).

The Board recommends the resolution set out at Item No. 5 as an Ordinary Resolution to the shareholders for their approval.

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

##### ITEM NO. 6

The Company in the ordinary course of its business sells goods to Jindal Stainless Steelway Limited ("JSSL") and Jindal Stainless Limited (JSL) 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) and 2(76)(viii)(A) of the Act. JSSL and JSL are also related parties as per provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

The explanation to Regulation 23(1) of the LODR, provides that a transaction with a related party shall be considered material if the transaction(s) 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 listed entity as per the last audited financial statements of the listed entity. Further, Regulation 23(4) provides that all material related party transactions shall require approval of the shareholders through a resolution.

The contracts / arrangements / transactions relating to sale or purchase of products, goods, materials or services besides common corporate expenditure envisaged during the Financial year 2017-18 with JSSL and JSL are likely to exceed the thresholds prescribed under explanation to Regulation 23(1) of the LODR.

Approval of the Shareholders is therefore being sought in terms of explanation to Regulation 23(1) of the LODR. The Board recommends the resolution set out at Item No. 6 as an Ordinary Resolution to the shareholders for their approval.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Ratan Jindal, who is also Director 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 is, in any way, concerned or interested, financially or otherwise, in this resolution.

Information required under the Companies Act, 2013 read with Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014:

S.No.	Particulars	Information	
1.	Name of Related Party	Jindal Stainless Limited ("JSL")	Jindal Stainless Steelway Limited ("JSSL")
2.	Name of Director or Key Managerial Personnel who is related, if any	Mr. Ratan Jindal, Chairman and Director of Jindal Stainless (Hisar) Limited (JSHL) is also Chairman and Managing Director of Jindal Stainless Limited (JSL). Mr. Kanwaljit Singh Thind is also Director of JSL.	Mr. Kanwaljit Singh Thind, Director of Jindal Stainless (Hisar) Limited (JSHL) is also Director of JSSL.
3.	Nature of relationship	JSL is an Associate Company of JSHL. Mr. Ratan Jindal, Chairman and Director of JSHL, is also the Chairman and Managing Director of JSL and holds along with his relatives, more than 2 (two) percent of the paid-up share capital of JSL.	JSSL is a Subsidiary Company of JSHL.
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	As specified in the resolution at Item No. 6 of this Notice.	As specified in the resolution at Item No. 6 of this Notice.
5.	Extent of Shareholding Interest of every Promoter/Director/Manager and every other Key Managerial Personnel not less than 2%	Mr. Ratan Jindal, Chairman and Director of the Company holds along with his relatives, more than 2 (two) percent of the paid-up share capital of JSL.	-
6.	Any other information relevant or important for the members to take a decision on the proposed resolution	-	-

#### Additional Information as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India:

#### Brief Profile of directors, who retires by rotation and is eligible for re-appointment and the director, in respect of whom proposal is there for payment of remuneration:

##### 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 more than 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 / Age : 7th July, 1956 / 61 Years

Date of First Appointment : 2nd November, 2015

No. of Shares held in the Company : 37,310

Relationship with other Directors, Managers or KMP : No

Past Remuneration : Mr. Ashok Kumar Gupta was paid remuneration of ₹ 2.53 Crore during Financial Year 2016-17.

No. of Board Meetings attended/held during Financial Year 2016-17 : Attended all the four meetings held during the financial year 2016-17.

Remuneration proposed to be paid and terms & conditions of appointment/ re-appointment : The terms and conditions of appointment of Mr. Ashok Kumar Gupta are already approved by Shareholders in the Annual General Meeting held on 30th December, 2015.

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

Outside Committee Membership : Nil

##### Mr. Abhyuday Jindal:

A Boston University graduate in Economics and Business Management, Mr. Abhyuday Jindal has a wide ranging experience in the areas of project management, supply chain systems and strategic & general management.

Mr. Abhyuday Jindal started his career with the JSW Group. There, he played a prominent role in the stake acquisition of Ispat Industries and the post acquisition integration of JSW and Ispat. He then moved on to the Boston Consulting Group, where he managed project consultancy for diverse industries, including cement, steel, wind turbines and auto components. Having gained a deep understanding of the industrial manufacturing arena, Mr. Abhyuday Jindal entered the Stainless Steel industry.

Mr. Jindal also serve as the Vice President of the Infrastructure Industry and Logistics Federation of India, endeavoring to forge stronger and wider public-private partnerships.

DIN : 07290474

Date of Birth / Age : 4th April, 1989 / 28 Years



**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. Mrs. Deepika Jindal, Director is mother of Mr. Abhyuday Jindal.

**Past Remuneration :** Not applicable, as he was not paid any remuneration from the Company.

**No. of Board Meetings attended/held during Financial Year 2016-17 :** Attended two meetings out of four meetings held during the financial year 2016-17

**Remuneration proposed to be paid and terms & conditions of appointment/ re-appointment :** The terms and conditions are mentioned in the resolution.

**Outside Directorship :** Nil

**Outside Committee Membership :** Nil

**By order of the Board**

**(Bhartendu Harit)  
Company Secretary**

**Registered Office:**

O.P. Jindal Marg  
Hisar – 125 005, Haryana.  
August 7, 2017

**INSTRUCTIONS FOR E-VOTING:**

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 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 4th Annual General Meeting of the Company to be held on Tuesday, the 26th day of September, 2017. 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. Members may cast their votes using an electronic voting system from a place other than the venue of the meeting ("remote e-voting"). The Company has appointed Mr. Kamal 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 19th September, 2017.

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

- (i) The remote e- voting period begins on 23rd September, 2017 at 9.00 a.m. and ends on 25th September, 2017 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 19th September, 2017, 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/Members".
- (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) * 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.
Dividend Bank Details / Date of Birth (DOB)	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. 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 of 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 changed login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) 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. The register of members and share transfer books of the Company will remain closed from Friday, 15th September, 2017 to Saturday, 16th September, 2017 (both days inclusive).
2. 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.
3. 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.
4. 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.
5. 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.
6. **The Company has created an Email Id. [investorcare.jshl@jindalstainless.com](mailto:investorcare.jshl@jindalstainless.com), to be used exclusively for the purpose of redressing the complaints of the investors.**
7. Members should quote their Folio Number / DP ID - Client ID Number, email addresses, telephone / fax numbers to get a prompt reply to their communications.
8. 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.
9. 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.
10. Members/proxies are requested to bring the attendance slip, duly filled in.
11. 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 – 125005 (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.
12. Members attending the AGM and desiring to go round the factory, are requested to inform a week in advance so that necessary arrangements could be 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 4th Annual Report on the business and operations of your Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2017.

**FINANCIAL RESULTS**

Your Company's performance for the financial year ended 31st March, 2017 is summarized below:

(₹ in Crore)

Particulars	Standalone		Consolidated	
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Revenue from operations	7,575.55	7,043.64	8,536.19	7,991.45
Other Income	60.70	24.82	65.00	25.74
<b>Total Income</b>	<b>7,636.25</b>	<b>7,068.46</b>	<b>8,601.19</b>	<b>8,017.19</b>
<b>Expenses:</b>				
Cost of material consumed	4,412.34	3,944.49	4,974.51	4,560.43
Purchase of Stock in trade	81.24	-	203.67	74.50
Changes in Inventories of finished goods, stock in trade and work in progress	(202.98)	150.54	(176.84)	167.42
Employee benefits expense	144.61	140.20	176.10	175.84
Excise Duty Expenses	685.74	673.90	761.71	756.84
Finance costs	411.93	469.40	431.41	493.35
Depreciation and amortisation expense	265.24	285.00	285.23	304.81
Stores and Spares consumed	424.73	415.87	435.19	431.28
Power & Fuel	626.82	617.14	633.78	623.78
Other expenditure	478.75	296.85	547.19	340.07
<b>Total Expenses</b>	<b>7,328.42</b>	<b>6,993.39</b>	<b>8,271.95</b>	<b>7,928.32</b>
<b>Profit/(Loss) before exceptional items and tax</b>	<b>307.83</b>	<b>75.07</b>	<b>329.24</b>	<b>88.87</b>
Share of Profit/(Loss) of an Associate	-	-	50.25	(1.17)
Exceptional items - Gain/(Loss)	18.02	(44.96)	28.27	(44.17)
<b>Profit/(Loss) after exceptional items but before tax</b>	<b>325.85</b>	<b>30.11</b>	<b>407.76</b>	<b>43.53</b>
Tax expense	107.83	5.28	117.07	7.08
<b>Net profit / (Loss) for the year before non controlling interest</b>	<b>218.02</b>	<b>24.83</b>	<b>290.69</b>	<b>36.45</b>
Non Controlling interest	-	-	3.83	(0.01)
<b>Net Profit / (Loss) for the year</b>	<b>218.02</b>	<b>24.83</b>	<b>286.86</b>	<b>36.46</b>
<b>Other Comprehensive Income:</b>				
Items that will not be reclassified to profit / (loss)	(3.44)	(1.38)	(3.97)	(1.43)
Income tax relating to items that will not be reclassified to profit / (loss)	1.19	0.48	1.37	0.49
Share in Associate (Other Comprehensive Income)	-	-	(0.16)	0.25
Non Controlling Interest (Other Comprehensive Income)	-	-	0.08	0.01
<b>Total Other Comprehensive Income</b>	<b>(2.25)</b>	<b>(0.90)</b>	<b>(2.68)</b>	<b>(0.68)</b>
<b>Total Comprehensive Income for the year (comprising Profit / (Loss) and other Comprehensive Income for the year)</b>	<b>215.77</b>	<b>23.93</b>	<b>284.18</b>	<b>35.78</b>

**FINANCIAL HIGHLIGHTS**

The Company has adopted Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Accounting Standard) Rules, 2015, as amended, w.e.f. April 1, 2016 and the above results have been prepared in compliance with Ind AS. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

The financial results for the year ended March 31, 2016 have been restated to comply with Ind AS to make them comparable.

Financial year 2016-17 witnessed a very strong financial performance from the Company resulting in significantly improved EBITDA numbers. Internal productivity and efficiency improvement measures have resulted in higher delivery volumes and considerable cost benefits.

During financial year ended 31st March 2017, the Gross Revenue from operations of your Company on standalone basis was ₹ 7,576 Crore as compared to ₹ 7,044 Crore during previous financial year 2015-16. Total Income from Operations (net) for the financial year ended 31st March, 2017 is ₹ 6,890 Crore as compared to ₹ 6,370 Crore during previous financial year. EBITDA for the financial year ended 31st March 2017 stood at ₹ 924 Crore as compared to ₹ 805 Crore during previous financial year.

The Profit after Tax on standalone basis stood at ₹ 218 Crore as compared to ₹ 25 Crore during previous financial year.

Further, during financial year ended 31st March 2017, the total consolidated revenue from operations (net) during the year was ₹ 7,774 Crore as against ₹ 7,235 Crore. The EBITDA on consolidated basis was ₹ 981 Crore as against ₹ 861 Crore during previous financial year. The net profit on consolidated basis during the year was ₹ 291 Crore as against net profit of ₹ 36 Crore during previous financial year.

The world economy is expected to revive in 2017 after a muted growth in 2016. International Monetary Fund (IMF) estimates increased global economic growth at 3.5% in 2017 from 3.1% in 2016. Economic activity is likely to gain momentum with robust demand coupled with buoyant financial markets. Economic sentiment across world economy is seen recovering but US policy uncertainty poses a concern.

Growth in emerging markets including India will remain muted. IMF projects slower growth in Indian economy against the backdrop of demonetisation with GDP growth rate estimates being revised to 7.2 % from 7.4 % for 2017-18. Further, outlook for the Asian region remains sluggish with an exception of China.

As per International Stainless Steel Forum, global stainless steel production increased by 10.2 % YoY in 2016 to 45.8 MT, China being the highest contributor. According to estimate by Steel and Metals Market Research (SMR), global stainless steel demand will increase by 4% in 2017. In India, domestic demand will grow by over 9% in next five years. Major demand is expected to come from Architecture, Building and Construction (ABC) segment while Automobile, Railway and Transport (ART) will also provide stimulus. Prospects of normal monsoon project a GDP growth of over 7% in 2017-18. Stainless Steel Demand is also expected to see a positive growth corresponding to economic outlook.

**OPERATIONS****HISAR DIVISION:**

Your Company has been able to grow in financial year 2016-17 despite challenging global scenario. Your Company sold 6,56,880 MT stainless steel products during the financial year. Your Company not only managed to increase overall sales, but also worked on improving the sales mix resulting in considerably higher sales of high margin products such as cold rolled annealed & pickled products.

Your Company continued to focus on value added products and successfully stabilized its productions for wider plates, bright bars & rounds etc. The Company enforced its reputation as leading stainless steel producer in the country by signing agreements with Defence Research & Development Organization ("DRDO") under "Make in India" Initiatives. Company is quite hopeful of penetrating further in Defense segment in near future.

During the year, the Company took various benchmark training initiatives to improve Manpower productivity and was recognized for its efforts through prestigious 'Golden Peacock' Award for best human resource training practices.

Company continued its tradition of Excellent Quality and was duly recognized by the industrial bodies for the same. The National "PAR EXCELLENCE AWARD" was given to your Company in Quality circle front by NCQC (National Convention on Quality Circles). The Company also received Excellence Award by 'ASSOCHAM' for Best Technology Used in Industrial waste management.

**VIZAG DIVISION:**

Vizag division produces High Carbon Ferro Chrome with annual capacity of 40,000 tons. The operations of Vizag division at Kothavalasa in Vizianagaram district, Andhra Pradesh, which was demerged in the Company as a part of the Composite Scheme of Arrangement, were under temporarily shut down effective from 13th September, 2015. The operations of the division were re-started with effect from 29th November, 2016.

Vizag division uses Chrome Ore purchased from OMC Ltd/ Tata Steel & others and transfers the output to Hisar Plant. The Unit could produce 7,680 ton of High Carbon Ferro Chrome during the year 2016-17 as compared to 9,974 tons during the last year 2015-16 due to shut down of the plant operation, spanning both Financial Years.

Vizag division could dispatch 7,736 ton of HCFC to Hisar plant during the year 2016-17 as compared to 11,825 ton during 2015-16.

**MINES:**

In terms of the Composite Scheme of Arrangement among the Company, Jindal Stainless Limited, Jindal United Steel Limited and Jindal Coke Limited and their respective Shareholders and Creditors sanctioned by the Hon'ble High Court of Punjab and Haryana at Chandigarh vide its Order dated September 21, 2015 as modified by its order dated October 12, 2015 ("Scheme"), the Demerged Undertakings, inter alia, including the business undertaking comprising of the Mining Division consisting of the chromite mines located in Village Kaliapani and forest block number 27, Sukinda Tehsil, Jajpur District, Odisha, in respect of which Jindal Stainless Limited ("JSL") was having leasehold rights ("Chromite Mine") were to be demerged and vested with the Company.

However, while according its approval for transfer/right to use of the land, Government of Odisha, Department of steel & mines vide letter dated 16th August 2016, did not accord its approval for transfer of mining lease to the Company. Consequently (i) all mining activities in relation to the Mining Rights continue to be carried out by Jindal Stainless Limited ("JSL"); and (ii) all assets (excluding fixed assets) and liabilities (including contingent



liabilities) in relation to the Mining Rights continue to be recorded in the books of JSL; and (iii) all revenue and net profit relating thereto post 1st November 2015, i.e. the date of Scheme becoming effective, are recorded in the books of JSL.

#### DIVIDEND AND TRANSFER TO RESERVES

The Board has not recommended any dividend on equity shares of the Company for the financial year ended 31st March, 2017 in terms of the provisions of the loan agreement entered into by the Company with the lenders for availing financial facilities. Accordingly, no amount is proposed to be transferred to the reserves of the Company.

#### SHARE CAPITAL

As on 31st March, 2016, paid up share capital of the Company was ₹ 46,23,70,890 divided into 23,11,85,445 equity shares of ₹ 2/- each.

During the year, the Company allotted 47,49,240 equity shares of ₹ 2/- each in aggregate at a price of ₹ 52.64 (including premium of ₹ 50.64 per share) per share, to JSL Limited and Jindal Infrastructure and Utilities Limited, upon conversion of 12,50,00,000 Compulsory Convertible Warrants of ₹ 2/- each.

Consequent upon the above allotment, the paid up share capital of the Company stand at ₹ 47,18,69,370 divided into 23,59,34,685 equity shares of ₹ 2/- each as on 31st March, 2017.

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") forms part of this Annual Report.

#### BUSINESS RESPONSIBILITY REPORT

Your Company is committed to growing the business responsibly with a long term perspective as well to the nine principles enshrined in the National Voluntary Guidelines (NVGs) on social, environmental and economic responsibilities of business, as notified by the Ministry of Corporate Affairs, Government of India, in July, 2011.

The Business Responsibility Report ("BRR") of the Company as per the requirements of Regulation 34(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 describing the initiatives taken by the Company from an environmental, social and governance perspective, alongwith all the related policies can be viewed on the Company's website at [www.jshl.com](http://www.jshl.com).

#### EMPLOYEES STOCK OPTION SCHEME

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

#### CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013, SEBI LODR and Ind-AS on Consolidated Financial Statements, Accounting for investments in Associates and 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 on 31st March, 2017, your Company has five direct and step down subsidiaries, namely (i) JSL Lifestyle Limited, (ii) Jindal Stainless Steelway Limited, (iii) Green Delhi BQS Limited, (iv) JSL Media Limited and (v) JSL Logistics Limited and two associate companies namely (i) Jindal Stainless Limited; and (ii) Jindal Stainless Corporate Management Services Pvt. Ltd.

The Financial Statements of Subsidiary Companies are kept open for inspection by the shareholders at the Registered Office of the Company during business hours on all days except Saturdays and Sundays and public holidays up to the date of Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. 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. The Financial Statements including the Consolidated Financial Statements and all other documents required to be attached with this Report have been uploaded on the website of your Company viz. [www.jshl.com](http://www.jshl.com).

A statement containing the salient features of the financial statement of the subsidiaries and associate companies in the prescribed Form AOC - 1 is attached alongwith financial statement. The statement also provides the details of performance, financial position of each of the subsidiary company.

Your Company has framed a policy for determining "Material Subsidiary" in terms of Regulation 16(c) of SEBI LODR. The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link:

<http://www.jshl.com/pdf/Policy%20for%20determining%20material%20subsidiaries.pdf>

#### DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Ashok Kumar Gupta, Whole Time Director, who retires by rotation at the ensuing Annual General Meeting under the provisions of the Companies Act, 2013 and being eligible, offers himself for reappointment. The Board of Directors, subject to approval of Shareholders, has approved payment of remuneration to Mr. Abhyuday Jindal, Non-Executive Vice Chairman as detailed in the Notice of the Annual General Meeting.

Brief resume of the abovementioned Director, nature of his expertise in specific functional areas, details of Directorship in other companies, membership / chairmanship of committees of the board and other details, as stipulated under Regulation 36(3) of SEBI LODR and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India, are given in the Notice forming part of the Annual Report.

There was no change in Key Managerial Personnel during the year.

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

#### BOARD EVALUATION

An annual performance evaluation of all Directors, the Committees of Directors and the Board as a whole for the year under review was carried out. For the purpose of carrying out performance evaluation, assessment questionnaires were circulated to all Directors and their feedback was obtained and recorded.

#### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 said Policies may be accessed on the Company's website at the link: [www.jshl.com/pdf/Remuneration%20Policy.pdf](http://www.jshl.com/pdf/Remuneration%20Policy.pdf)

#### 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 - I** forming part of this Report.

#### PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report, which forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report, which forms part of this Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

#### STATUTORY AUDITORS AND AUDITORS' REPORT

M/s. Lodha & Co. and M/s. S.S. Kothari Mehta & Co., Joint Statutory Auditors of the Company, were appointed by the Shareholders at the 2nd Annual General Meeting of the Company held on 30th December, 2015, for a period of five consecutive years i.e. until the conclusion of the 7th Annual General Meeting 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 ratification by members at the ensuing Annual General Meeting of the Company. 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.

#### 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 from time to time, your Company is required to get its cost accounting records audited by a Cost Auditor and has accordingly appointed M/s Ramanath Iyer & Company, Cost Accountants, for this purpose for FY 2017-18.

The Cost Auditors' Report for the FY 2016-17 does not contain any qualification, reservation or adverse remark.

The remuneration of the Cost Auditors shall be placed for ratification by 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 has appointed M/s Vinod Kothari & Co., Practicing Company Secretary to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith marked as **Annexure - II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors of the Company, in their meeting held on 2nd November, 2015 constituted the Corporate Social Responsibility Committee of Directors. The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy ("CSR Policy") indicating the focus areas of Company's CSR activities.

In line with the CSR philosophy and the focus areas, the Company has planned interventions in the fields of education & vocational training, integrated health care, women empowerment, social projects, rural infrastructure development, environment sustainability, sports, preservation of art and culture, business of human rights and disaster management.

The Company strongly believes that sustainable community development is essential for harmony between the community and the industry. The Company endeavours to make a positive contribution especially to the underprivileged communities by supporting a wide range of socio-economic, educational and health initiatives.

The Disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report at **Annexure-III**. The CSR Policy can be accessed on the Company's website at the link: <http://jshl.com/pdf/JSHL%20CSR%20Policy.pdf>

**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.

**SEXUAL HARASSMENT POLICY**

The Company has in place a policy on prevention of sexual harassment at workplace in accordance with the provisions of Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

During the year ended 31st March, 2017, no complaint was received pertaining to sexual harassment.

**AUDIT COMMITTEE**

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

Sl. No.	Name	Status	Category
1	Mr. Girish Sharma	Chairman	Independent Director
2	Mr. Kanwaljit Singh Thind	Member	Independent Director
3	Mr. Ashok Kumar Gupta	Member	Whole Time Director
4	Mr. Arunendra Kumar *	Member	Independent Director

\* Mr. Arunendra Kumar has been inducted in the Audit Committee w.e.f. 5th August, 2016

All the recommendations made by the Audit Committee during the financial year 2016-17 were accepted by the Board.

**CSR COMMITTEE**

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

Sl. No.	Name	Status	Category
1	Mrs. Deepika Jindal	Chairperson	Non- Executive Director
2	Mr. Ashok Kumar Gupta	Member	Whole Time Director
3	Mr. Kanwaljit Singh Thind	Member	Independent Director

**STOCK EXCHANGES WHERE THE SHARES ARE LISTED**

National Stock Exchange of India Limited ("NSE"), Exchange Plaza, 5th Floor, Plot No. C/1, G – Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400 001
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The annual listing fee was paid to both the stock exchanges. No shares of the Company were delisted during the financial year 2016-17.

**EXTRACT OF ANNUAL RETURN**

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

**NUMBER OF BOARD MEETINGS**

The Board of Directors met four times during the financial year ended on 31st March, 2017. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report forming part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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://jshlstainless.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**

Particulars of contracts or arrangements entered into by the Company with the related parties referred to in Section 188(1) of the Companies Act, 2013, in prescribed form AOC-2, is attached as **Annexure – V** to this Report.

All related party transactions that were entered and executed during the year under review were at arms' length basis. As per the provisions of Section 188 of the Companies Act, 2013 and Rules made thereunder read with Regulation 23 of SEBI LODR, your Company had obtained prior approval of the Audit Committee under omnibus approval route and / or under specific agenda before entering into such transactions.

Your Directors draw attention of the members to Note 51 to the financial statement which sets out related party disclosures. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link:

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

In terms of Regulation 23 of SEBI LODR, 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, as detailed at Item No. 6 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**

There has been no change in the nature of Company's business during the financial year ended on 31st March, 2017.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

During the quarter ended 30th June, 2017, the Company has achieved total gross income of ₹ 2,438 Crore with EBIDTA of ₹ 251 Crore. The Company has earned net profit of ₹ 74 Crore 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 were 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(3)(c) 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 have been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit and loss of the Company for the year ended on that date;
- the directors have 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 have prepared the annual accounts of the Company on a 'going concern' basis.
- the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

**CORPORATE GOVERNANCE**

A separate section on Corporate Governance forms part of this Annual Report and a certificate from the practicing Company Secretary regarding compliance of conditions of Corporate Governance as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, form 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.

Place: New Delhi

Date: August 7, 2017

For and on behalf of the Board of Directors

**Ratan Jindal**  
Chairman



**ANNEXURE-I 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.

**(A) CONSERVATION OF ENERGY**
**(a) The steps taken or impact on conservation of energy**

- Reduction in consumption of compressed Air by effective utilization of air.
- Reduction in steam consumption by effective utilization of steam.
- Increasing combustion efficiency of furnace by Optimization Oxygen % ratio.
- Increasing furnace efficiency by reduction in heat loss by optimization of air-gap.
- Optimization of running hour of Pump, Blower & Aux. equipment by VVVF drives installation.
- Optimization of electrode regulation system & auto melt controller in Steel melting shop.

**(b) The steps taken by the Company for utilising alternate sources of energy**

- Total 250KWp Solar Plant Installed in JSHL, Power generation started from Sep.2016.
- Procurement of 400KWp solar plant under-progress.

**(c) The capital investment on energy conservation equipments**

- Replacement of All Convention Light with LED Light- ₹ 15 Lakhs
- Installation of Solar System – ₹ 1.41 Crore
- Installation of VVVF Drive- ₹ 80 Lakhs
- Upgradation of Pre-heating furnace at Hot Strip Mill- ₹ 3.5 Crore
- Electrode regulation system at Steel Melting shop- ₹ 1.2 Crore

**(B) TECHNOLOGY ABSORPTION**
**(i) The efforts made towards technology absorption; and the benefits derived like product improvement, cost reduction, product development or import substitution.**

**Development of new products to diversify product mix:**

**High Strength steel (HNS & JD1) & rings of super-duplex (UNS 32205 & 15CDV6)**

- High Nitrogen Steel with high strength and toughness has been developed for defence application in various shapes such as plates (different thickness), round bars & in Disc form.
- Ultra high strength material (JD 1) has been developed for defence application.
- Development of 444 grade for automotive exhaust with excellent corrosion resistance in many types of environments that include chlorides, organic acids found in foods and beverages.
- Development of grade 303 for long product application designed for good machinability.
- Rings of super duplex (UNS 32750) & 15CDV6 has been developed for the stringent application in defence applications.

**Development of customized & value added products:**

- Significant improvement in surface quality of grade 432 after optimizing annealing & pickling parameter, scale free surface obtained.
- Improvement in surface quality after optimising the hot rolling parameter for 204 Cu grade.
- Stabilization of UNS 32101 grade after suitable modification in annealing & pickling parameters.
- Improvement in steel cleanliness of 321 grade by suitable modification in steel melting practice.
- Improvement in the yield of EQ 309LNB by optimising various parameters from steel melting shop & hot rolling.
- Development of highly corrosion resistant Super Austenitic Stainless Steel Grade 904L in 100 micron thickness for Air Purifier Application.

**Benefits derived:**

- Improvement in the yield of material for grade 432 leading to increase in dispatch & minimize losses at JSHL facilities. Material for 432 grade are being continuously supplied to different auto customers for their variant application in autos part.
- Process optimization in UNS 32101 grade leading to cost saving and reducing the overall processing time for the respective material. JSL is leading supplier of UNS 32101 & various other duplex grade for different customers throughout.
- Export segment for grade 321 has been stabilized by suitable processing in steel melting shop. It is a highly alloyed grade, so improvement in cleanliness for this grade will open opportunities in export market.
- Improvement in the yield of material for EQ309LNB leading to reduction in processing time and minimize losses at JSHL facilities.

**(ii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

Horizontal bright annealing line has been installed at Cold rolling division, which will help to increase supply of material for cutlery based applications. Different grades such as JT, JSLUDD, JSLUSD were successfully processed at Horizontal bright annealing line with good surface finish. Horizontal bright annealing line offers to process various grades of cold rolled thickness from 0.3 mm to 1.5 mm thickness.

**(iii) Expenditure incurred on Research and Development (R&D)**

(₹ in Crore)

	2016-17	2015-16
(a) Capital	0.05	0.00
(b) Revenue	4.21	1.54
<b>Total</b>	<b>4.26</b>	<b>1.54</b>
(c) Total R&D expenditure as a percentage of turnover	0.06%	0.02%

**FOREIGN EXCHANGE EARNINGS & OUTGO**

(₹ in Crore)

	2016-17
Foreign Exchange Earnings	1242.75
Foreign Exchange Outgo	2018.27

## ANNEXURE II TO DIRECTORS REPORT

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

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

To,  
The Members,  
Jindal Stainless (Hisar) Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Jindal Stainless (Hisar) Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company (as per Annexure – A1, hereinafter referred to as "Books and Papers") and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 01, 2016 to March 31, 2017 (hereinafter referred to as "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books and Papers maintained by the Company for the Audit Period according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act");
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SAST Regulations);
  - (b) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (c) Securities Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI (ICDR) Regulations, 2009");
5. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
  - (a) Mines Act, 1952 read with Mines Rules, 1955;
  - (b) Mines and Minerals (Development and Regulation) Act, 1957 and Mineral Conservation and Development Rules, 1985;
  - (c) Mines Vocational Training Rules, 1966;
  - (d) Metalliferous Mines Regulations, 1961;
  - (e) Mines Rescue Rules, 1985;
  - (f) Mining Leases (Modification of Terms) Rules, 1956.
  - (g) Payment of Wages Act, 1936 and Payment of Wages (Mines) Rules, 1956;
  - (h) The Payment of Undisbursed Wages (Mines) Rules, 1989;
  - (i) The Iron Ore Mines Manganese Ore Mines and Chrome Ore Mines Labour Welfare Fund Rules, 1978;
  - (j) Iron Ore Mines Manganese Ore Mines and Chrome Ore Mines Labour Welfare Fund Act, 1976;
  - (k) Orissa Minerals (Prevention of Theft, Smuggling & Illegal Mining and Regulation of Possession, Storage, Trading and Transportation) Rules, 2007 along with OMPTS Amendment Rules, 2015;
  - (l) Orissa Minor Mineral Concession Rules, 2004;
  - (m) Collection of Statistics Act, 2008;

We have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India;

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

**MANAGEMENT RESPONSIBILITY:**

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or examined any books, information or statements other than Books and Papers;
4. We have not examined any other specific laws except as mentioned above.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company;

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions is carried through while dissenting members' views were not required to be captured and recorded as part of the minutes as there were not such instance.

**We further report that** to ensure compliance with the specific laws applicable to the Company, the Company has developed compliance tool which lists the applicable Acts, regulations and the compliances to be ensured under the same along with the time limit. The compliance tool lists the officer responsible for filling up the compliance status on a regular basis. Hence, in our view, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

**a. Allotment of equity shares upon conversion of Compulsorily Convertible Warrants (CCWs)**

During the Audit Period, the Company has allotted 47,49,240 equity shares of INR 2 each in aggregate at a price of INR 52.64 each (including premium of INR 50.64 per share) upon conversion of 12,50,00,000 Compulsorily Convertible Warrants ('CCWs') in aggregate to JSL Limited and Jindal Infrastructure and Utilities Limited.

For M/s Vinod Kothari and Company  
Company Secretaries in Practice

Vinita Nair  
Partner

Membership No: A31669  
CP No.: 11902

Place: Mumbai

Date: May 11, 2017



**ANNEXURE – III TO DIRECTORS REPORT**
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY**

- A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.  
A brief outline of the Company's CSR Policy is given in the Directors' Report.  
Web-link: <http://jshlsteel.com/pdf/JSHL%20CSR%20Policy.pdf>
- The composition of the CSR Committee:  
Mrs. Deepika Jindal - Chairperson of the Committee  
Mr. Ashok Kumar Gupta - Member  
Mr. Kanwaljit Singh Thind - Member
- Average net profit \* of the Company for last three financial years: ₹ 1063.27 Lakhs
- Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 21.27 Lakhs
- Details of CSR spent during the financial year.  
(a) Total amount to be spent for the financial year: ₹ 21.27 Lakhs  
(b) Amount unspent, if any: Nil  
(c) Total amount spent in the financial year: ₹ 66.74 Lakhs  
(d) Manner in which the amount spent during the financial year is detailed below.

(Amount in ₹)

1	2	3	4	5	6	7	8
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs Local area or other Specify the state and district where projects or programs was undertaken	Amount actually outlay (budget) project or programs wise	Amount spent on the project or programs sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Hole in the Wall – HIWEL, Non-formal education, Donation to OPJEMS and Gurukul, Hisar	Education	Local area at Hisar in the State of Haryana	45,00,000	41,62,750	41,62,750	Direct / Through Implementing Agency
2	Women Empowerment through Self Help Groups, Save the Girl Child Project, Community Meetings, Awareness camp	Promoting Gender Equality and women empowerment	Local area at Hisar in the State of Haryana	6,00,000	5,94,725	5,94,725	Direct / Through Implementing Agency
3	Organic Farming, Repair of Community Hall, Training on community farming	Community Development	Local area in and around Hisar in the State of Haryana	3,00,000	2,83,592	2,83,592	Direct / Through Implementing Agency
4	Stainless Skill Training Institute - Dress Designing, Construction of Skill Training Centre, empowering Self Help Groups.	Skill development	Local area at Hisar in the State of Haryana	5,50,000	5,16,535	5,16,535	Direct / Through Implementing Agency

(Amount in ₹)

1	2	3	4	5	6	7	8
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs Local area or other Specify the state and district where projects or programs was undertaken	Amount actually outlay (budget) project or programs wise	Amount spent on the project or programs sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
5	Rural health check up camps	Health	Local area in and around Hisar in the State of Haryana	1,50,000	1,37,276	1,37,276	Direct / Through Implementing Agency
6	Donation to various Gaushala	Animal welfare	Local area in and around Hisar in the State of Haryana	8,50,000	8,06,100	8,06,100	Direct / Through Implementing Agency
7	Administration expenses	Admin. Overheads	-	2,00,000	1,73,522	1,73,522	Direct
<b>TOTAL</b>				<b>71,50,000</b>	<b>66,74,500</b>	<b>66,74,500</b>	

- CSR Committee has been constituted and CSR Policy has been formulated.
- CSR Committee hereby confirms that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and the Policy of the Company.  
\* For the purpose of Section 135, "average net profit" has been calculated in accordance with the provisions of section 198 of the Companies Act, 2013.

**ANNEXURE IV TO DIRECTORS REPORT**
**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN**
**as on the financial year ended on 31st March, 2017**

 [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	L27205HR2013PLC049963
(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	Yes
(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 Lifestyle Limited	U74920HR2003PLC035976	Subsidiary	77.74	2(87)(ii)
3	Green Delhi BQS Limited	U45400DL2007PLC164938	Subsidiary	68.88	2(87)(ii)
4	JSL Media Limited	U70102DL2007PLC170019	Subsidiary	99.94	2(87)(ii)
5	JSL Logistics Limited	U63030DL2008PLC180599	Subsidiary	100.00	2(87)(ii)
6	Jindal Stainless Corporate Management Services Private Limited	U74140HR2013PTC049340	Associate	50	2(6)
7	Jindal Stainless Limited	L26922HR1980PLC010901	Associate	42.13	2(6)

**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, 2016 (Face value of ₹2/- each)				No. of Shares held at the end of the year – 31st March, 2017 (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	646,087	-	646,087	0.28	646,087	-	646,087	0.27	0.01
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	52,141,410	-	52,141,410	22.55	56,890,650 #	-	56,890,650	24.11	1.56
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>52,787,497</b>	<b>-</b>	<b>52,787,497</b>	<b>22.83</b>	<b>57,536,737</b>	<b>-</b>	<b>57,536,737</b>	<b>24.39</b>	<b>1.56</b>
<b>(2) Foreign</b>									
a. NRIs – Individuals	7,523,053	-	7,523,053	3.25	7,523,053	-	7,523,053	3.19	0.06
b. Other – Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp.	54,260,440	-	54,260,440	23.47	54,260,440	-	54,260,440	23.00	0.47
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>61,783,493</b>	<b>-</b>	<b>61,783,493</b>	<b>26.72</b>	<b>61,783,493</b>	<b>-</b>	<b>61,783,493</b>	<b>26.19</b>	<b>0.53</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>114,570,990</b>	<b>-</b>	<b>114,570,990</b>	<b>49.56</b>	<b>119,320,230</b>	<b>-</b>	<b>119,320,230</b>	<b>50.57</b>	<b>1.01</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a. Mutual Funds	12,508,494	14,300	12,522,794	5.42	9,893,294	14,300	9,907,594	4.20	1.22
b. Banks / FI	204,521	22,560	227,081	0.10	229,777	22,560	252,337	0.11	0.01
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	2,424,934	-	2,424,934	1.05	2,224,934	-	2,224,934	0.94	0.11
g. FII/ Foreign Portfolio Investors	40,285,158	13,740	40,298,898	17.43	45,308,639	13,740	45,322,379	19.21	1.78
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Any Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (1)</b>	<b>55,423,107</b>	<b>50,600</b>	<b>55,473,707</b>	<b>24</b>	<b>57,656,644</b>	<b>50,600</b>	<b>57,707,244</b>	<b>24.46</b>	<b>0.46</b>
<b>(2) Non-Institutions</b>									
<b>a. Bodies Corp.</b>									
(i) Indian	15,269,311	61,391	15,330,702	6.63	13,612,320	61,091	13,673,411	5.80	0.83
(ii) Overseas	-	1,690	1,690	0.00	-	1,690	1,690	0.00	0
<b>b. Individuals</b>									
(i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	13,728,042	2,857,991	16,586,033	7.17	12,302,120	2,760,621	15,062,741	6.38	0.79
(ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	433,123	-	433,123	0.19	1,185,900	-	1,185,900	0.50	0.31
(iii) Others	10,568,766	616,100	11,184,866	4.84	10,781,295	597,840	11,379,135	4.82	0.02
<b>Sub-total (B) (2)</b>	<b>39,999,242</b>	<b>3,537,172</b>	<b>43,536,414</b>	<b>18.83</b>	<b>37,881,635</b>	<b>3,421,242</b>	<b>41,302,877</b>	<b>17.51</b>	<b>1.32</b>
<b>Total shareholding of Public (B) = (B)(1)+(B)(2)</b>	<b>95,422,349</b>	<b>3,587,772</b>	<b>99,010,121</b>	<b>42.83</b>	<b>95,538,279</b>	<b>3,471,842</b>	<b>99,010,121</b>	<b>41.97</b>	<b>0.86</b>



C. Shares held by Custodian for GDRs & ADRs									
Promoter & Promoter Group	16,734,984	-	16,734,984	7.24	16,734,984	-	16,734,984	7.09	0.15
Public	869,350	-	869,350	0.38	869,350	-	869,350	0.37	0.01
<b>Grand Total (A)+(B)+(C)</b>	<b>227,597,673</b>	<b>3,587,772</b>	<b>231,185,445</b>	<b>100</b>	<b>232,462,843</b>	<b>3,471,842</b>	<b>235,934,685</b>	<b>100</b>	

# On 2nd September, 2016, the Company had allotted 47,49,240 equity shares in aggregate to JSL Limited and Jindal Infrastructure and Utilities Limited, the Promoter group entities, upon conversion of 12.50 Crore Compulsory Convertible Warrants (CCWs) of ₹ 2/- each.

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year – 1st April, 2016 (Face value of ₹ 2/- each)			Shareholding at the end of the year – 31st March, 2017 (Face value of ₹ 2/- each)			
		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	% change in share holding during the year
1	Abhinandan Investments Limited	811,350	0.35	0.35	811,350	0.34	-	0.01
2	Abhyuday Jindal	22,180	0.01	-	22,180	0.01	-	-
3	Arti Jindal	14,390	0.01	-	14,390	0.01	-	-
4	Colarado Trading Co Ltd	2,074,930	0.9	0.88	2,074,930	0.88	-	0.02
5	Deepika Jindal	69,265	0.03	-	69,265	0.03	-	-
6	Ever Plus Securities & Finance Limited	1,157,835	0.5	0.5	1,157,835	0.49	-	0.01
7	Gagan Trading Company Limited	2,454,295	1.06	1.06	2,454,295	1.04	1.04	0.02
8	Goswamis Credits & Investments Ltd	877,795	0.38	0.28	877,795	0.37	-	0.01
9	Hexa Securities & Finance Co Ltd	4,931,175	2.13	2.13	4,931,175	2.09	-	0.04
10	Jindal Equipment Leasing And Consultancy Services Limited	5,735,555	2.48	2.48	5,735,555	2.43	-	0.05
11	JSW Holdings Limited	460,720	0.2	0.20	460,720	0.2	0.2	-
12	Nalwa Sons Investments Limited	347,945	0.15	0.15	347,945	0.15	0.15	-
13	Kamal Kishore Bhartia	1,550	0.00	-	1,550	0.00	-	-
14	Manjula Finances Ltd	1,012,080	0.44	0.44	1,012,080	0.43	-	0.01
15	Mansarover Investments Limited	3,797,210	1.64	1.64	3,797,210	1.61	-	0.03
16	Meredith Traders Pvt Ltd	422,210	0.18	0.18	422,210	0.18	0.18	-
17	Nalwa Engineering Co Ltd	747,290	0.32	0.32	747,290	0.32	-	-
18	Nalwa Investment Limited	1,707,110	0.74	0.74	1,707,110	0.72	-	0.02
19	Naveen Jindal	12,768	0.01	-	12,768	0.01	-	-
20	Naveen Jindal HUF	107,860	0.05	-	107,860	0.05	-	-
21	Parth Jindal	27,575	0.01	-	27,575	0.01	-	-
22	Prithvi Raj Jindal	31,298	0.01	-	31,298	0.01	-	-
23	P R Jindal HUF	58,290	0.03	-	58,290	0.02	-	0.01
24	Ratan Jindal	7,424,148	3.21	-	7,424,148	3.15	3.15	0.06
25	R K Jindal & Sons HUF	13,940	0.01	-	13,940	0.01	-	-
26	Renuka Financial Services Ltd	886,620	0.38	0.38	886,620	0.38	-	-
27	Rohit Tower Building Ltd	31,200	0.01	0.01	31,200	0.01	0.01	-
28	Sajian Jindal	47,748	0.02	-	47,748	0.02	-	-
29	S K Jindal and Sons HUF	33,330	0.01	-	33,330	0.01	-	-
30	Sangita Jindal	46,910	0.02	-	46,910	0.02	-	-
31	Sarika Jhunjunwala	76,725	0.03	-	76,725	0.03	-	-
32	Saroj Bhartia	40	0.00	-	40	0.00	-	-
33	Savitri Devi Jindal	88,573	0.04	-	88,573	0.04	-	-
34	Seema Jajodia	900	0.00	-	900	0.00	-	-
35	Sminu Jindal	43,875	0.02	-	43,875	0.02	-	-
36	Stainless Investments Limited	1,442,895	0.62	0.62	1,442,895	0.61	-	0.01
37	Sun Investments Private Limited	9,296,780	4.02	4.02	9,296,780	3.94	3.94	0.08
38	Tanvi Shethe	11,995	0.01	-	11,995	0.01	-	-
39	Tarini Jindal Handa	12,000	0.01	-	12,000	0.01	-	-

40	Tripti Jindal	12,175	0.01	-	12,175	0.01	-	-
41	Urvi Jindal	11,605	0.01	-	11,605	0.00	-	0.01
42	Vrindavan Services Private Limited	4,946,705	2.14	2.14	4,946,705	2.10	2.10	0.04
43	JSL Overseas Holdings Limited*	27,700,000	11.98	11.69	27,700,000	11.74	-	0.24
44	JSL Overseas Limited	26,560,440	11.49	-	26,560,440	11.26	-	0.23
45	Jindal Strips Limited	5,314,090	2.30	2.30	5,314,090	2.25	-	0.05
46	Siddeshwari Tradex Private Limited	2,755,890	1.19	1.19	2,755,890	1.17	-	0.02
47	Jindal Rex Exploration Private Limited	929,730	0.40	0.40	929,730	0.39	0.39	0.01
48	JSL Limited**	-	-	-	2,374,620	1.01	-	1.01
49	Jindal Infrastructure and Utilities Limited**	-	-	-	2,374,620	1.01	-	1.01
<b>Total</b>		<b>114,570,990</b>	<b>49.56</b>	<b>34.11</b>	<b>119,320,230</b>	<b>50.58</b>	<b>11.15</b>	<b>1.02</b>

\* JSL Overseas Holdings Limited also holds 83,67,492 GDS representing 1,67,34,984 underlying equity shares of ₹ 2/- each.

\*\* On 2nd September, 2016, the Company had allotted 47,49,240 equity shares in aggregate to JSL Limited and Jindal Infrastructure and Utilities Limited, the Promoter group entities, upon conversion of 12.50 Crore Compulsory Convertible Warrants (CCWs) of ₹ 2/- each.

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

Sl. No.	Name of Shareholder	As on 1.4.2016		As on 31.3.2017		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 of issue of share/ disposed off	No. of shares disposed off	No. of shares acquired/ issue	No. of shares at the end of the year
1	Abhinandan Investments Limited	811,350	0.35	811,350	0.34	-	-	-	811,350
2	Abhyuday Jindal	22,180	0.01	22,180	0.01	-	-	-	22,180
3	Arti Jindal	14,390	0.01	14,390	0.01	-	-	-	14,390
4	Colarado Trading Co Ltd	2,074,930	0.9	2,074,930	0.88	-	-	-	2,074,930
5	Deepika Jindal	69,265	0.03	69,265	0.03	-	-	-	69,265
6	Ever Plus Securities & Finance Limited	1,157,835	0.5	1,157,835	0.49	-	-	-	1,157,835
7	Gagan Trading Company Limited	2,454,295	1.06	2,454,295	1.04	-	-	-	2,454,295
8	Goswamis Credits & Investments Limited	877,795	0.38	877,795	0.37	-	-	-	877,795
9	Hexa Securities & Finance Co Ltd	4,931,175	2.13	4,931,175	2.09	-	-	-	4,931,175
10	Jindal Equipment Leasing And Consultancy Services Limited	5,735,555	2.48	5,735,555	2.43	-	-	-	5,735,555
11	JSW Holdings Limited	460,720	0.2	460,720	0.2	-	-	-	460,720
12	Nalwa Sons Investments Limited	347,945	0.15	347,945	0.15	-	-	-	347,945
13	Kamal Kishore Bhartia	1,550	0.00	1,550	0.00	-	-	-	1,550
14	Manjula Finances Ltd	1,012,080	0.44	1,012,080	0.43	-	-	-	1,012,080
15	Mansarover Investments Limited	3,797,210	1.64	3,797,210	1.61	-	-	-	3,797,210
16	Meredith Traders Pvt Ltd	422,210	0.18	422,210	0.18	-	-	-	422,210
17	Nalwa Engineering Co Ltd	747,290	0.32	747,290	0.32	-	-	-	747,290
18	Nalwa Investment Limited	1,707,110	0.74	1,707,110	0.72	-	-	-	1,707,110
19	Naveen Jindal	12,768	0.01	12,768	0.01	-	-	-	12,768
20	Naveen Jindal HUF	107,860	0.05	107,860	0.05	-	-	-	107,860
21	Parth Jindal	27,575	0.01	27,575	0.01	-	-	-	27,575
22	Prithvi Raj Jindal	31,298	0.01	31,298	0.01	-	-	-	31,298
23	P R Jindal HUF	58,290	0.03	58,290	0.02	-	-	-	58,290
24	Ratan Jindal	7,424,148	3.21	7,424,148	3.15	-	-	-	7,424,148
25	R K Jindal & Sons HUF	13,940	0.01	13,940	0.01	-	-	-	13,940
26	Renuka Financial Services Ltd	886,620	0.38	886,620	0.38	-	-	-	886,620
27	Rohit Tower Building Ltd	31,200	0.01	31,200	0.01	-	-	-	31,200
28	Sajian Jindal	47,748	0.02	47,748	0.02	-	-	-	47,748
29	S K Jindal And Sons HUF	33,330	0.01	33,330	0.01	-	-	-	33,330
30	Sangita Jindal	46,910	0.02	46,910	0.02	-	-	-	46,910
31	Sarika Jhunjunwala	76,725	0.03	76,725	0.03	-	-	-	76,725

32	Saroj Bhatia	40	0.00	40	0.00	-	-	-	40
33	Savitri Devi Jindal	88,573	0.04	88,573	0.04	-	-	-	88,573
34	Seema Jajodia	900	0.00	900	0.00	-	-	-	900
35	Sminu Jindal	43,875	0.02	43,875	0.02	-	-	-	43,875
36	Stainless Investments Limited	1,442,895	0.62	1,442,895	0.61	-	-	-	1,442,895
37	Sun Investments Pvt. Limited	9,296,780	4.02	9,296,780	3.94	-	-	-	9,296,780
38	Tanvi Shethe	11,995	0.01	11,995	0.01	-	-	-	11,995
39	Tarini Jindal Handa	12,000	0.01	12,000	0.01	-	-	-	12,000
40	Tripti Jindal	12,175	0.01	12,175	0.01	-	-	-	12,175
41	Urvi Jindal	11,605	0.01	11,605	0.00	-	-	-	11,605
42	Vrindavan Services Private Limited	4,946,705	2.14	4,946,705	2.10	-	-	-	4,946,705
43	JSL Overseas Holdings Limited*	27,700,000	11.98	27,700,000	11.74	-	-	-	27,700,000
44	JSL Overseas Limited	26,560,440	11.49	26,560,440	11.26	-	-	-	26,560,440
45	Jindal Strips Limited	5,314,090	2.30	5,314,090	2.25	-	-	-	5,314,090
46	Siddeshwari Tradex Private Limited	2,755,890	1.19	2,755,890	1.17	-	-	-	2,755,890
47	Jindal Rex Exploration Private Limited	929,730	0.40	929,730	0.39	-	-	-	929,730
48	JSL Limited**	-	-	2,374,620	1.01	02.09.16	-	2,374,620	2,374,620
49	Jindal Infrastructure and Utilities Limited**	-	-	2,374,620	1.01	02.09.16	-	2,374,620	2,374,620
	<b>Total</b>	<b>114,570,990</b>	<b>49.56</b>	<b>119,320,230</b>	<b>50.58</b>				

\* JSL Overseas Holdings Limited also holds 83,67,492 GDS representing 1,67,34,984 underlying equity shares of ₹ 2/- each

\*\* On 2nd September, 2016, the Company had allotted 47,49,240 equity shares in aggregate to JSL Limited and Jindal Infrastructure and Utilities Limited, the Promoter group entities, upon conversion of 12.50 Crore Compulsory Convertible Warrants (CCWs) of ₹ 2/- each.

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

Sl. No.	Name of Shareholder	As on 1.4.2016		As on 31.3.2017		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	Citigroup Global Markets Mauritius Private Limited	11,904,232	5.15	6,619,232	2.81	17.03.2017	3,650,000	-	6,619,232
						31.03.2017	1,635,000	-	
2	Hypnos Fund Limited	10,301,711	4.46	10,301,711	4.37	-	-	-	10,301,711
3	Reliance Capital Trustee Co. Ltd. A/C Reliance Diversified Power Sector Fund	9,843,940	4.26	7,417,840	3.14	05.08.2016	71,250	-	7,417,840
						12.08.2016	80,700	-	
						19.08.2016	441,700	-	
						26.08.2016	4,700	-	
						02.09.2016	91,650	-	
						28.10.2016	100,000	-	
						13.01.2017	105,450	-	
						20.01.2017	105,750	-	
						27.01.2017	349,900	-	
						10.02.2017	150,000	-	
						17.02.2017	139,800	-	
						24.02.2017	97,700	-	
						03.03.2017	312,500	-	
4	Vinod Mohan Nair	9,097,524	3.94	9,097,524	3.86	-	-	-	9,097,524
						17.03.2017	1,950,000	-	
						24.03.2017	1,700,000	-	
5	ELM Park Fund Limited	7,822,160	3.38	13,107,160	5.56	17.03.2017	1,950,000	-	13,107,160
						24.03.2017	1,700,000	-	
						31.03.2017	1,635,000	-	
6	India Max Investment Fund Limited	3,882,980	1.68	3,882,980	1.65	-	-	-	3,882,980

7	Globe Fincap Limited	6,149,224	2.66	1,966,674	0.87	08.04.2016	-	185,000	1,966,674							
						22.04.2016	25	-								
						06.05.2016	20,000	-								
						13.05.2016	220,000	-								
						27.05.2016	200,000	-								
						10.06.2016	150,000	-								
						17.06.2016	150,000	-								
						30.06.2016	200,000	-								
						22.07.2016	200	-								
						12.08.2016	1,800,000	-								
						26.08.2016	-	14,065								
						16.09.2016	-	100,000								
						30.09.2016	-	300,000								
8	Albula Investment Fund Ltd.	3,609,070	1.56	3,609,070	1.53	-	-	-	3,609,070							
						9	Reliance Capital Trustee Co Ltd -Reliance Long Term Equity Fund	2,649,189		1.15	2,460,089	1.04	19.08.2016	37,000	-	2,460,089
													26.08.2016	146,700	-	
													24.03.2017	5,400	-	
													03.03.2017	200,050	-	
10	Life Insurance Corporation of India	2,042,189	0.88	2,042,189	0.87	-	-	-	2,042,189							
11	Elara India Opportunities Fund Limited	795,000	0.34	2,765,000	1.17	03.06.2016	-	1,970,000	2,765,000							

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

Sl. No.	Name of Shareholder	As on 1.4.2016		As on 31.3.2017		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. Ratan Jindal	7,424,148	3.28	7,424,148	3.15	-	-	-	7,424,148
2	Mr. Abhyuday Jindal	22,180	0.01	22,180	0.01	-	-	-	22,180
3	Mrs. Deepika Jindal*	69,265	0.03	69,265	0.03	-	-	-	69,265
4	Mr. Ashok Kumar Gupta	37,300	0.02	37,310	0.02	06.05.2016	-	10	37,310
5	Mr. Kanwaljit Singh Thind	515	0.00	515	0.00	-	-	-	515
6	Mr. Girish Sharma*	-	-	-	-	-	-	-	-
7	Mr. Arunendra Kumar**	-	-	-	-	-	-	-	-
8	Mr. Nirmal Chandra Mathur***	-	-	9,330***	0.004	-	-	-	9,330
9	Ms. Ishani Chattopadhyay#	-	-	-	-	-	-	-	-
10	Mr. Tara Sankar Sudhir Bhattacharya##	-	-	-	-	-	-	-	-
11	Mr. Bhartendu Harit(Company Secretary)	-	-	-	-	-	-	-	-
12	Mr. Ankur Agrawal(CFO)	-	-	-	-	-	-	-	-

\* Appointed as Directors on the Board of the Company w.e.f 1st May, 2016.

\*\* Appointed as Director on the Board of the company w.e.f. 16th May, 2016.

\*\*\* Appointed as Director on the Board of the company w.e.f. 5th August, 2016. Mr. N.C. Mathur holds 9,330 shares of the Company (including 8,375 shares held as joint holder alongwith his spouse, Mrs. Aruna Mathur)

# Ceased to be Director w.e.f. 14th May 2016.

## Ceased to be Director w.e.f. 12th August, 2016.



**V. INDEBTEDNESS**

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

(₹ in Crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year – 1st April, 2016</b>				
(i) Principal Amount	1,855.14	-	-	1,855.14
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	0.54	-	-	0.54
<b>Total (i+ii+iii)</b>	<b>1,855.68</b>	<b>-</b>	<b>-</b>	<b>1,855.68</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	1,890.45	-	-	1,890.45
• Reduction *	355.86	-	-	355.86
<b>Net Change</b>	<b>1,534.60</b>	<b>-</b>	<b>-</b>	<b>1,534.60</b>
<b>Indebtedness at the end of the financial year – 31st March, 2017</b>				
(i) Principal Amount	3,389.73	-	-	3,389.73
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	0.55	-	-	0.55
<b>Total (i+ii+iii)</b>	<b>3,390.28</b>	<b>-</b>	<b>-</b>	<b>3,390.28</b>

\* Include Ind-AS impact.

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
<b>1.</b>	<b>Gross Salary</b>	<b>Mr. Ashok Kumar Gupta (WTD)</b>	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	248.19	248.19
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	1.93	1.93
	(c) Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961	-	-
<b>2.</b>	Stock Option	-	-
<b>3.</b>	Sweat Equity	-	-
<b>4.</b>	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
<b>5.</b>	Others	2.75	2.75
	<b>Total (A)</b>	<b>252.87</b>	<b>252.87</b>
	Ceiling as per the Act **	3,690.26	3,690.26

**B. Remuneration to other Directors**
**1. Independent Directors**

(₹ in lakhs)

Particulars of Remuneration	Name of Directors						Total Amount
	Mr. Kanwaljit Singh Thind	Mr. Girish Sharma*	Mr. Arunendra Kumar**	Mr. Nirmal Chandra Mathur***	Ms. Ishani Chattopadhyay#	Mr. Tara Sankar Sudhir Bhattacharya##	
• Fee for attending board /committee meetings	2.50	2.40	2.30	1.60	-	-	8.80
• Commission	-	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-	-
<b>Total (1)</b>	<b>2.50</b>	<b>2.40</b>	<b>2.30</b>	<b>1.60</b>	<b>-</b>	<b>-</b>	<b>8.80</b>

\* Appointed as Director on the Board of the Company w.e.f 1st May, 2016.

\*\* Appointed as Director on the Board of the company w.e.f. 16th May, 2016.

\*\*\* Appointed as Director on the Board of the company w.e.f. 5th August, 2016.

# Ceased to be Director w.e.f. 14th May 2016.

## Ceased to be Director w.e.f. 12th August, 2016.

**2. Other Non-Executive Directors**

(₹ in Lakhs)

Other Non-Executive Directors	Mr. Ratan Jindal	Mr. Abhyuday Jindal	Mrs. Deepika Jindal*
• Fee for attending board /committee meetings	1.00	1.10	2.00
• Commission	1341.91	-	-
• Others, please specify	-	-	-
<b>Total (2)</b>	<b>1342.91</b>	<b>1.10</b>	<b>2.00</b>
Total Managerial Remuneration	1341.91 #	-	-
Overall Ceiling as per the Act	3690.26	N.A.	N.A.

\* Appointed as Director on the Board of the Company w.e.f 1st May, 2016.

# Fee for attending the Board / Committee meetings is not part of managerial remuneration.

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Ankur Agrawal (CFO)	Mr. Bhartendu Harit (CS)	
<b>1.</b>	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	62.44	19.79	82.23
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	1.21	1.30	2.51
	(c) Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961	-	-	-
<b>2.</b>	Stock Option	-	-	-
<b>3.</b>	Sweat Equity	-	-	-
<b>4.</b>	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
<b>5.</b>	Others, please specify	0.71	0.86	1.57
	<b>Total</b>	<b>64.36</b>	<b>21.95</b>	<b>86.31</b>

**VII. 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>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					

**ANNEXURE V TO DIRECTORS REPORT**
**Form No. AOC-2**

[Pursuant to Clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014] Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

**1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:**

(a) Name(s) of the related party and nature of relationship	<p style="text-align: center;"><b>NIL</b> (All contract or arrangement or transactions with related parties are at arm's length basis)</p>
(b) Nature of contracts/ arrangements/ transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

**2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:**

(a) Name(s) of the related party and nature of relationship	Jindal Stainless Limited <i>[Jindal Stainless Limited is a public limited company in which a director of the Company is a director and holds more than 2% of its paid up share capital. Further, the Company holds more than 20% shareholding of Jindal Stainless Limited and therefore, it is an Associate Company of Jindal Stainless (Hisar) Limited].</i>	
(b) Nature of contracts/ arrangements/ transactions	Sale, purchase or supply of goods and materials etc. and giving corporate guarantee for Jindal Stainless Limited	
(c) Duration of the contracts/ arrangements/ transactions	April, 2016 to March, 2017	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	The Company made transactions of sale, purchase, job charges etc. amounting to ₹ 1,259.13 Crore and gave Corporate Guarantees for Jindal Stainless Limited.	
(e) Date(s) of approval by the Board, if any	<b>Particulars</b>	<b>Date of Board Approval</b>
	Sale, purchase or supply of goods and materials etc. and gave corporate guarantee for Jindal Stainless Limited.	12.8.2016; 17.9.2016; and 24.9.2016.
(g) Amount paid as advances, if any	Nil	



**REPORT ON CORPORATE GOVERNANCE**

In accordance with Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the report containing the details of Corporate Governance systems and processes at Jindal Stainless (Hisar) Limited is as follows:

**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 and Category of Directors**

The Board of Directors of your Company is having optimum combination of Executive and Non-Executive Directors, in conformity with Regulation 17 of the SEBI LODR. As at 31st March, 2017, the Board of the Company consisted of 8 Directors, including four independent directors. Detail with respect to size and composition of present Board of Directors is given hereunder:

Name of Director	Designation	Category
<b>Executive Directors</b>		
Mr. Ashok Kumar Gupta	Whole Time Director	Non-Independent
<b>Non Executive (Non-Independent) Directors</b>		
Mr. Ratan Jindal	Chairman	Promoter
Mr. Abhyuday Jindal	Vice Chairman	Promoter
Smt. Deepika Jindal	Director	Promoter
<b>Non Executive (Independent) Directors</b>		
Mr. Kanwaljit Singh Thind	Director	Independent
Mr. Girish Sharma	Director	Independent
Mr. Arunendra Kumar	Director	Independent
Mr. Nirmal Chandra Mathur	Director	Independent

Mrs. Deepika Jindal is wife of Mr. Ratan Jindal; and Mr. Abhyuday Jindal is their son. None of the other Directors are related to any other Director on the Board.

**(ii) Independent Directors**

Your Company had at its last Annual General Meeting (AGM) held on 30th December, 2016 appointed Mr. Girish Sharma, Mr. Arunendra Kumar and Mr. Nirmal Chandra Mathur as Independent Directors on the Board of the Company pursuant to Sections 149, 152 and Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder and provisions of SEBI LODR. Tenure of Mr. Girish Sharma, Mr. Arunendra Kumar and Mr. Nirmal Chandra Mathur is three years and Tenure of Mr. Kanwaljit Singh Thind is two years.

The Company has received declarations as stipulated under Section 149(7) of the Companies Act, 2013 and Regulation 16 of SEBI LODR from each Independent Directors confirming that he is not disqualified from appointing/continuing as an Independent Director. Your Company had also issued formal appointment letters to the Independent Directors in the manner provided under the Act and the SEBI LODR. The terms and conditions of the appointment of Independent Directors have been displayed on the website of the Company and can be accessed through the following link: <http://jshl.com/appointmentofindependentdirectors.html>

**(iii) Board Meetings**

During the financial year 2016-17, four Board meetings were held on 27th May, 2016, 12th August, 2016, 22nd November, 2016 and 8th February, 2017. 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 Director	No. of Board Meeting attended	Attendance at last AGM	No of Directorships held in other public companies \$	No. of Memberships (M) / Chairmanship (C) in other Board Committee(s) ^	No. of Shares and Convertible Instruments held by Non-Executive Directors
Mr. Ratan Jindal	2	-	8	1(M)	74,24,148
Smt. Deepika Jindal*	4	-	4	-	69,265
Mr. Abhyuday Jindal	2	-	-	-	22,180
Mr. Ashok Kumar Gupta	4	Yes	1	-	N.A.
Mr. Kanwaljit Singh Thind	4	Yes	3	1(C), 2(M)	515
Mr. Girish Sharma *	4	-	4	3(M)	Nil
Mr. Arunendra Kumar**	4	-	2	-	Nil
Mr. Nirmal Chandra Mathur ***	3	-	3	1(M)	9,330***
Mr. T.S. Bhattaharya #	-	N.A.	#	#	#
Ms. Ishani Chattopadhyay ##	N.A.	N.A.	##	##	##

\* Appointed on the Board of the Company w.e.f. 1st May, 2016.

\*\* Appointed on the Board of the Company w.e.f. 16th May, 2016.

\*\*\* Appointed on the Board of the Company w.e.f. 5th August, 2016. Mr. N.C. Mathur holds 9,330 shares of the Company (including 8,375 shares held as joint holder alongwith his spouse, Mrs. Aruna Mathur)

# Ceased to be Director w.e.f. 12th August, 2016.

## Ceased to be Director w.e.f. 14th May, 2016.

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 Regulation 25 & 26 of SEBI LODR) 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**

- 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.
- The meetings are usually held at the Company's corporate office at New Delhi.
- 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.
- 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.
- The Company Secretary, in consultation with the Chairman / Vice Chairman / Whole Time Director and other concerned persons in the top management, finalizes the agenda papers for the Board meetings.

**B. Board material distributed in advance**

- 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.
- 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. Draft minutes of the meetings are circulated to the Directors within fifteen days of the meetings for their comments / inputs. Thereafter, the minutes of the proceedings of a meeting are entered in the minute 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. Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments / divisions.

**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 Regulations 25 and 46 of the SEBI LODR is uploaded on the website of the Company and can be accessed through following link:

<http://www.jshl.com/pdf/DETAILS%20OF%20FAMILIARIZATION%20PROGRAMMES%20IMPARTED%20TO%20INDEPENDENT%20DIRECTORS%20JSHL.pdf>

**(vii) Independent Directors' meeting**

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of the SEBI LODR, a meeting of the Independent Directors of the Company was held on 7th August, 2017, without the presence of Non-Independent Directors and representatives of the management. The Independent Directors inter alia, reviewed the performance of non-independent directors, Chairman and the Board of Directors as a whole, for the financial year 2016-17, taking into account the views of the Executive and Non-Executive Directors. The Independent Directors also evaluated the quality, contents and timelines of flow of information, between the management and the Board that is necessary for the Board to effectively perform its duties.

**(viii) Evaluation of Board Effectiveness**

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and Regulation 19 of the SEBI LODR, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have to evaluate the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31st March, 2017. The evaluation of the Directors was based on various aspects, inter-alia, including 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.

The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow best practices in Board Governance in order to fulfill its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among the Board members, greater efficiency in the use of the Board's time and increased effectiveness of the Board as a governing body.

**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 Regulations 18, 19 and 20 of the SEBI LODR. 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.

**Meetings of Board Committees held during the year and Member's attendance**

Board Committees	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Sub-Committee of Directors
Meetings held	4	1	4	1	14
<b>Members' Attendance</b>					
Mr. Ratan Jindal	N.A.	N.A.	N.A.	N.A.	11
Smt. Deepika Jindal *	N.A.	N.A.	N.A.	1	N.A.
Mr. Abhyuday Jindal	N.A.	1	3	N.A.	N.A.
Mr. Ashok Kumar Gupta	4	N.A.	4	1	13
Mr. Kanwaljit Singh Thind	4	1	N.A.	1	1
Mr. Girish Sharma *	4	N.A.	N.A.	N.A.	N.A.
Mr. Arunendra Kumar **	3	N.A.	3	N.A.	N.A.
Mr. Nirmal Chandra Mathur***	N.A.	1	N.A.	N.A.	4
Mr. T.S. Bhattacharya#	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Ishani Chattopadhyay ##	N.A.	N.A.	N.A.	N.A.	N.A.

\* Appointed on the Board of the Company w.e.f. 1st May, 2016.

\*\* Appointed on the Board of the Company w.e.f. 16th May, 2016.

\*\*\* Appointed on the Board of the Company w.e.f. 5th August, 2016.

# Ceased to be Director w.e.f. 12th August, 2016.

## Ceased to be Director w.e.f. 14th May, 2016.

**(i) Audit Committee**
**Composition and Terms of Reference:**

The Composition and "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 Regulation 18 of the SEBI LODR. The present composition of the Audit Committee is as under:

Name of Director	Category	Status
Mr. Girish Sharma *	Independent Director	Chairman
Mr. Ashok Kumar Gupta	Whole Time Director, Non-Independent	Member
Mr. Kanwaljit Singh Thind	Independent Director	Member
Mr. Arunendra Kumar #	Independent Director	Member

\* Appointed as Chairman of the Audit Committee w.e.f. 5th August, 2016

# Appointed as Member of Audit Committee w.e.f. 5th August, 2016

**Meetings**

The Audit Committee met four times during the financial year 2016-17 on 27th May, 2016, 12th August, 2016, 22nd November, 2016 and 8th February, 2017. Requisite quorum was present during the meetings.

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditor, the cost auditor, the secretarial auditor and notes the processes and safeguards employed by each of them.

The Chief Financial Officer regularly attends the Committee meetings and the Company Secretary acts as the Secretary of the Committee. Meetings were also attended by the Internal Auditors and the Statutory Auditors.

**(ii) Nomination and Remuneration Committee**
**Composition and Terms of Reference:**

The Composition and Terms of Reference of the Nomination and Remuneration Committee (NRC) are in conformity with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI LODR. The present composition of the NRC is as under:

Name of Director	Category	Status
Mr. Kanwaljit Singh Thind	Independent Director	Chairman
Mr. Abhyuday Jindal	Non-Independent	Member
Mr. Nirmal Chandra Mathur*	Independent Director	Member

\*Appointed as Member of the Committee w.e.f. 5th August, 2016



**Meetings**

During the financial year ended 31st March, 2017, one meeting of the Nomination and Remuneration Committee was held on 12th August, 2016. Requisite quorum was present during the meeting.

The primary objective of the NRC is to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and carry out evaluation of every director's performance.

**Performance Evaluation Criteria for Independent Directors:**

The policy framework, for nomination, election and performance review of Independent Directors duly approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee of Directors of the Company, is in place. The performance of the independent directors is being evaluated by the entire Board, excepting the director being evaluated. The broad criteria for evaluation of Independent Directors are preparation and participation in board meetings and general meetings, personality and conduct and quality of value added.

**(iii) Stakeholders Relationship Committee:**
**Composition and Terms of Reference:**

The Composition and Terms of Reference of the Stakeholders Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR. The present composition of the Stakeholders' Relationship Committee is as under:

Name of Director	Category	Status
Mr. Arunendra Kumar*	Independent Director	Chairman
Mr. Abhyuday Jindal	Non-Independent	Member
Mr. Ashok Kumar Gupta	Whole Time Director, Non-Independent	Member

\*Appointed as Chairman of the Committee w.e.f. 5th August, 2016

**Meetings**

During financial year ended 31st March, 2017, four meetings was held on 13th June, 2016, 12th August, 2016, 22nd November, 2016, 8th February, 2017. Requisite quorum was present during the meetings.

The Committee looks into the grievances of the Shareholders related to transfer of shares, payment of dividend and non receipt of annual report and recommends measure for expeditious and effective investor service. Pursuant to the SEBI LODR, 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, Registrar of Companies etc. The Company complies with the various requirements of the SEBI LODR and depositories with respect to transfer of shares and share certificates are sent to them within the prescribed time.

The Company has duly appointed Share Transfer Agent (R&T Agent) for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to the investors within the prescribed time. Two (2) complaints were received during the year 2016-17 and no complaint was pending as on 31st March 2017.

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

The Composition and 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. The CSR Committee consists of three Directors, out of which one is Independent. Names of Members of the Committee, their category and status are given below:

Name of Director	Category	Status
Smt. Deepika Jindal *	Director, Non-Independent	Chairperson
Mr. Ashok Kumar Gupta	Whole Time Director, Non-Independent	Member
Mr. Kanwaljit Singh Thind	Independent Director	Member

\* Appointed as Chairperson w.e.f. 17th May, 2016.

**Meeting**

During financial year ended 31st March, 2017, one meeting was held on 12th August, 2016. Requisite quorum was present during the meeting.

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

The Company has 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 meets from time to time on need base to transact the matters of urgency. Names of Members of the Committee, their category and status are given below:

Name of Director	Category	Status
Mr. Ratan Jindal	Non-Independent Director	Chairman
Mr. Ashok Kumar Gupta	Whole Time Director, Non-Independent	Member
Mr. Kanwaljit Singh Thind	Independent Director	Member
Mr. Nirmal Chandra Mathur*	Independent Director	Member

\*Appointed as Member of the Committee w.e.f. 5th August, 2016

During the financial year 2016-17, the Sub-Committee of Directors met 14 times on 27th April, 2016, 30th May, 2016, 22nd June, 2016, 21st July, 2016, 2nd September, 2016, 19th September, 2016, 26th September, 2016, 13th October, 2016, 4th November, 2016, 29th November, 2016, 6th January, 2017, 2nd February, 2017, 18th February, 2017 and 10th March, 2017. Requisite quorum was present during the meetings.

**(vi) Share Transfer Committee:**

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

During the financial year ended 31st March 2017, all the valid requests for transfers of shares were processed in time and there were no pending transfers of shares.

**4. REMUNERATION OF DIRECTORS**
**Remuneration Policy**

The Company has in place a Remuneration Policy duly approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee of Directors of the Company. Remuneration given to the Directors of the Company is based on the principles of performance, equitableness and competitiveness. The Remuneration Policy has been designed to reflect these principles and to attract, motivate and retain quality manpower for driving the Company successfully.

The remuneration of the Executive Directors, KMPs and Senior Management Personnel is based on Company's financial position, industrial trends and remuneration paid by peer companies. Remuneration to Executive Directors is paid by way of salary (including fixed pay and variable pay), perquisites and retirement benefits, based on recommendation of the Nomination and Remuneration Committee and approval of the Board and Shareholders. The Non-executive directors are paid commission / sitting fee for attending the meetings of the Board and Committees thereof.

**(i) Details of Remuneration paid to the Directors during the financial year ended 31st March 2017:**
**(a) Executive Directors:**

Amount (in ₹)

Name of Director	Designation	Salary	Commission	Contribution to PF	Others	Total	Notice Period
Mr. Ashok Kumar Gupta	Wholetime Director	1,74,43,440	-	-	78,43,694	2,52,87,134	N.A.

**(b) Non-Executive Directors:**

Particulars of commission / sitting fee paid to the Non Executive Directors during financial year ended 31st March, 2017 are as follows:

Amount (₹ in Lakhs)

Name of Director	Commission	Sitting fee paid
Mr. Ratan Jindal	1341.91	1.00
Smt. Deepika Jindal *	-	2.00
Mr. Abhyuday Jindal	-	1.10
Mr. Kanwaljit Singh Thind	-	2.50
Mr. Girish Sharma *	-	2.40
Mr. Arunendra Kumar**	-	2.30
Mr. Nirmal Chandra Mathur ***	-	1.60
Mr. T.S. Bhattaharya #	-	-
Ms. Ishani Chattopadhyay ##	-	-

\* Appointed on the Board of the Company w.e.f. 1st May, 2016.

\*\* Appointed on the Board of the Company w.e.f. 16th May, 2016.

\*\*\* Appointed on the Board of the Company w.e.f. 5th August, 2016.

# Ceased to be Director w.e.f. 12th August, 2016.

## Ceased to be Director w.e.f. 14th May, 2016.

There has been no material pecuniary relationship or transactions between the Company and Non Executive Directors during the financial year 2016-17, except as stated above.

**(ii) Stock Options granted to Directors:**

The Company has not issued any stock options.

**5. General Body Meetings:**

The last three Annual General Meetings were held at the registered office of the Company at O.P. Jindal Marg, Hisar – 125005 (Haryana), as per details given below:

Year	Date	Day	Time	Special Resolution(s) Passed
2013-14	30.09.2014	Tuesday	11:00 A.M.	No special resolution was passed.
2014-15	30.12.2015	Wednesday	11:30 A.M.	-Appointment of Mr. Ratan Jindal as a Director in the capacity of Non-Executive Chairman with payment of commission on profits of the Company.  - Appointment of Mr. Ashok Kumar Gupta in the capacity of Whole-Time Director, with remuneration, of the Company for a period of three years.
2015-16	30.09.2016	Friday	12.00 Noon	No special resolution was passed.

Apart from the Annual General Meeting, members of the Company passed following Ordinary/special resolutions through postal ballot during financial year ended 31st March, 2017:

- Approval of Related Party Transaction regarding providing security for Jindal Stainless Limited (JSL) by way of pledge of shares of JSL held by the Company, in favour of SBICAP Trustee Company Limited.
- Approval to give guarantee in favour of Axis Bank Limited, acting as agent on behalf of lenders of Jindal Stainless Limited, for securing the External Commercial Borrowings (ECBs) of USD 50 Million of Jindal Stainless Limited.
- Approval to give corporate guarantee in favour of SBICAP Trustee Company Limited acting for and on behalf of lenders of Jindal Stainless Limited.
- Acceptance of Deposits from Members and Public.

The Board appointed Mr. Sandeep Garg, Advocate, as the Scrutinizer for conducting the voting through Postal Ballot and E- voting in a fair and transparent manner. The procedure prescribed under Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and provisions of Regulation 44 of the SEBI LODR were followed for the postal ballot conducted during the year for the resolutions mentioned above. The Scrutinizer submitted his Report and on the basis of the said Report, the results of the Postal Ballot including votes cast through E-voting through CDSL in respect of the resolutions was declared on 28th March, 2017.

**Summary of the votes cast through Postal Ballot including votes cast through E-voting is as follows:**

Sl. No.	Particulars	No. of Votes with Assent	% with Assent	No. of Votes with Dissent	% with Dissent
1	Approval of Related Party Transaction regarding providing security for Jindal Stainless Limited (JSL) by way of pledge of shares of JSL held by the company, In favour of SBICAP Trustee Company Limited.- <b>Ordinary Resolution</b>	47,568,317	93.8522%	3,112,586	6.1411%
2	Approval to give guarantee in favour of Axis Bank Limited, acting as agent on behalf of lenders of Jindal Stainless Limited, for securing the External Commercial Borrowings (ECBs) of USD 50 Million of Jindal Stainless Limited.- <b>Ordinary Resolution</b>	47,579,217	93.8737%	3,100,366	6.1170%
3	Approval to give corporate guarantee in favour of SBICAP Trustee Company Limited acting for and on behalf of lenders of Jindal Stainless Limited.- <b>Ordinary Resolution</b>	47,579,407	93.8741%	3,100,166	6.1166%
4	Acceptance of Deposits from Members and Public.- <b>Special Resolution</b>	132,281,787	97.5357%	3,333,756	2.4581%

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

**6. Means of Communication:**

i	Quarterly Results	The quarterly, half yearly and yearly financial results of the Company will be submitted with 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 SEBI LODR.
ii	Newspapers wherein results normally published	Financial Express (English), Jansatta (Hindi)
iii	Any website, where displayed	www.jshlsteel.com
iv	Whether it also displays official news releases	The Company gives important Press Releases.
v	The Presentations made to institutional investors or to the analysts	The Company holds Analysts' Meet from time to time.

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 are 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 are 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 are 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 are processed in a centralized web based complaint redressal 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**

- Day, Date and Time : Tuesday, 26th September, 2017 at 1:00 P.M.
- Venue : At registered office of the Company at O.P. Jindal Marg, Hisar – 125005 (Haryana).

7.2 Financial Year : The Financial year of the Company starts from 1st April and ends on 31st March every year.

7.3 Financial Calendar : Annual General Meeting – (Next Year) September, 2018  
2017-18 (Tentative)

**Financial Reporting**

Results for quarter ending June 30, 2017 : 7th August, 2017 (Actual)  
Results for quarter ending Sept. 30, 2017 : On or before 14th Nov., 2017  
Results for quarter ending Dec. 31, 2017 : On or before 14th Feb., 2018  
Results for year ending Mar. 31, 2018 (Audited) : On or before 30th May, 2018

7.4 Book Closure date Meeting. : 15th day of September, 2017 to 16th day of September, 2017 (both days inclusive) for Annual General Meeting

7.5 Dividend payment date : No dividend has been recommended by the Board of Directors for the financial year 2016-17.

7.6 Unclaimed Share :

As per 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, 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), the Company had allotted its equity shares to the Shareholders of Jindal Stainless Limited in the ratio of 1:1 on 25th November, 2015 and the shares of the Company were listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) on 28th January, 2016.

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

At the time of allotment of shares by the Company on 25th November, 2015, corresponding Unclaimed Shares allotted by the Company were credited in "Unclaimed Suspense Account" of the Company. During the year 2016-17, 150 unclaimed Equity Shares of ₹ 2 each held by 2 Shareholders were transferred from the "Unclaimed Suspense Account" to the demat accounts of respective shareholders. Details of Unclaimed shares as required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given hereunder:



Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account as on 01.04.2016	1,492	1,93,675
Number of shareholders who approached the Company / RTA for transfer of shares from suspense account during the year ended 31st March, 2017	2	150
Number of shareholders to whom shares were transferred from suspense account during the year ended 31st March, 2017	2	150
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2017.	1,490	1,93,525

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

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

7.7 (a) Listing of Equity Shares : National Stock Exchange of India Ltd., BSE Limited,  
on Stock Exchanges Exchange Plaza, 5th Floor, Phiroze Jeejeebhoy Towers,  
Plot No. C/1, G – Block, Dalal Street,  
Bandra-Kurla Complex, Bandra (E), Mumbai - 400 001  
Mumbai – 400 051.

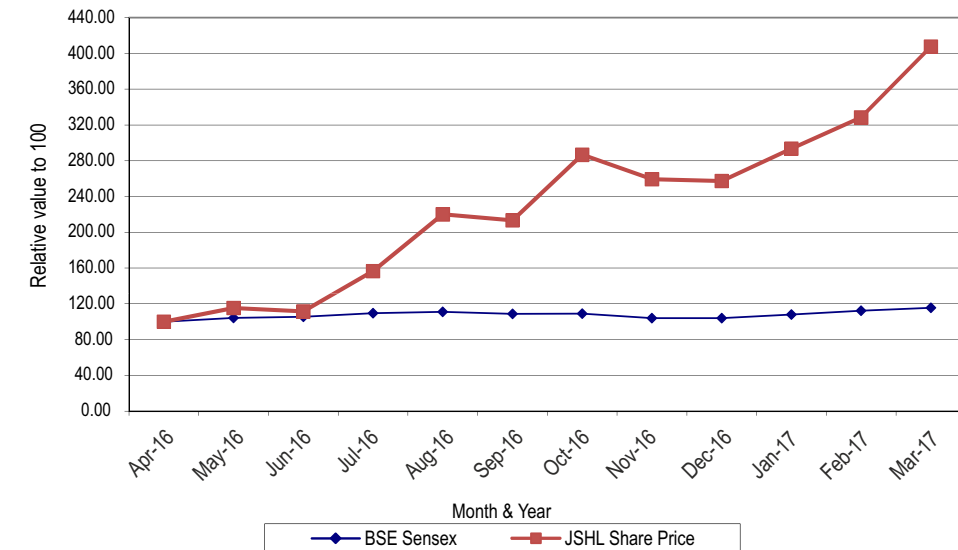
The annual listing fees for the year 2017-18 have been paid to both BSE and NSE.

(b) Listing of GDS on : Luxembourg Stock Exchange,  
Stock Exchange P.O. Box 165,  
L – 2011, Luxembourg

7.8 Stock Code : Trading Symbol – BSE Limited (Demat Segment): 539597  
(Equity Shares) Trading Symbol – National Stock Exchange of India: (Demat Segment) JSLHISAR

International Securities Identification Number (ISIN)  
Equity Shares : INE455T01018  
GDS : US47760U1043

7.9 Stock Market Price Data	National Stock Exchange of India Ltd. (NSE)		BSE Limited (BSE)	
	Month's High Price (In ₹)	Month's Low Price (In ₹)	Month's High Price (In ₹)	Month's Low Price (In ₹)
April, 2016	41.75	26.30	41.40	26.40
May, 2016	45.25	33.50	44.85	33.40
June, 2016	44.00	35.00	44.90	34.00
July, 2016	64.60	38.70	65.70	38.80
August, 2016	83.50	54.70	84.10	55.00
September, 2016	82.90	73.20	84.45	72.85
October, 2016	110.10	73.30	109.50	73.20
November, 2016	108.40	82.95	107.95	81.70
December, 2016	103.35	83.40	104.95	78.00
January, 2017	111.45	92.50	111.00	89.40
February, 2017	118.60	99.00	117.45	98.85
March, 2017	153.80	115.00	153.60	115.20

**7.10 Share price performance in comparison to broad based indices – BSE Sensex**
**Stock Price Performance - JSHL vs BSE Sensex  
April 2016 - March 2017**

**7.11 Registrar and Transfer Agents**

: Link Intime India Private Limited  
44, Community Centre, 2nd Floor,  
Naraina Industrial Area, Phase 1,  
Near PVR Naraina, New Delhi – 110 028  
Ph. (011) 41410592/93/94  
Fax No. (011) 41410591  
Email: delhi@linkintime.co.in  
Website: www.linkintime.co.in

**7.12 Share Transfer System**

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

**7.13 Reconciliation of Share Capital Audit**

: The reconciliation of Share Capital Audit is conducted by a Chartered Accountant in practice to reconcile the total admitted capital with National Securities Depositories Limited and Central Depository Services (India) Ltd. ("Depositories") and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories) and that the requests for dematerialization of shares are processed by the R&T Agents within stipulated period of 21 days and uploaded with the concerned depositories.

**7.14 Transfer of Unpaid /Unclaimed Amounts to Investor Education and Protection Fund**

: Not Applicable

**7.15 Distribution of shareholding as at 31st March, 2017:**

By size of shareholding	Shareholders		Equity shares held	
	Number	Percentage	Number	Percentage
1 - 2500	41,972	97.75	1,18,02,858	5.00
2501 - 5000	460	1.07	16,87,992	0.72
5001 - 10000	195	0.45	14,33,012	0.61
10001 - 15000	72	0.17	8,73,896	0.37
15001 - 20000	41	0.10	7,46,830	0.32
20001 - 25000	22	0.05	5,11,483	0.22
25001 - 50000	63	0.15	22,79,655	0.97
50001 & Above	112	0.26	21,65,98,959	91.79
<b>TOTAL</b>	<b>42,937</b>	<b>100.00</b>	<b>23,59,34,685</b>	<b>100.00</b>
Physical Mode	11,793	27.47	34,71,842	1.47
Electronic Mode	31,144	72.53	23,24,62,843	98.53

By category of shareholders	Equity Shares held	
	Number	Percentage
Promoters	11,93,20,230	50.57
GDS held by promoters underlying shares	1,67,34,984	7.09
GDS held by others underlying shares	8,69,350	0.37
FIs/Banks/Mutual Funds	1,23,84,865	5.25
Corporate Bodies	1,36,73,411	5.80
FII/ Foreign Portfolio Investor (Corporate)	4,53,22,379	19.21
NRIs/OCBs	1,03,00,666	4.37
Public /others	1,73,28,800	7.34
<b>Total</b>	<b>23,59,34,685</b>	<b>100.00</b>

7.16 Dematerialisation of shares : As on 31st March, 2017, 98.53% of the total share capital was in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form

7.17 Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion dates and likely impact on equity. : Company's paid up capital includes 1,76,04,334 equity Shares having face value of Rs.2/- each, underlying 88,02,167 GDS. As on 31st March, 2017, the Company does not have any convertible instruments.

7.18 Commodity price risk or foreign exchange risk and hedging activities : Please refer Management Discussion and Analysis Report for details.

7.19 Plant locations : HISAR  
O.P. Jindal Marg,  
Hisar – 125 005  
(Haryana). KOTHAVALASA  
Jindal Nagar,  
Kothavalasa – 535 183  
Dist. Vizianagaram (A.P.)

**7.20 Investor Correspondence:**

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

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

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

**Important Communication to Members:**

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

**8. DISCLOSURES:**

- Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large. The Company has not entered into any transaction of material nature with the promoters, the directors or the management, their subsidiaries or relatives etc. that may have any potential conflict with the interests of the Company. Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link:  
<http://www.jshstainless.com/pdf/Policy%20on%20dealing%20with%20Related%20Party%20Transactions%20JSHL.pdf>
- 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 Shares of the Company are listed on the Stock Exchanges with effect from 28th January, 2016. The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets; 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.
- Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee. The Company has 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 Regulation 22 of the SEBI LODR. 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 bona-fide 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. The WBP has also been uploaded on Company's website at the following link:  
<http://www.jshstainless.com/pdf/Whistle%20Blower%20Policy-JSHL.pdf>
- The Company has also formulated the Policy on Disclosure of Material Events or Information and Policy on Preservation and Archival of Documents. The said Policies have also been uploaded on Company's website at the following links:  
<http://www.jshstainless.com/pdf/JSHL%20Material%20Event%20Policy.pdf>  
<http://www.jshstainless.com/pdf/JSHL%20Preservation%20and%20Archival%20Policy.pdf>
- Subsidiary Companies The Audit Committee of the Company reviews the financial statements and the investments made by its unlisted subsidiary companies. Further, the minutes of the meetings of the board of directors of the unlisted subsidiary companies and statement of all significant transactions and arrangements entered into by the unlisted subsidiary are periodically placed at the meeting of the Board of directors of



the Company. The Company does not have any material non-listed Indian subsidiary company. The Company has formulated a policy for determining material subsidiaries which is uploaded on Company's website at the following link:

<http://www.jshlsteel.com/pdf/Policy%20for%20determining%20material%20subsidiaries.pdf>

- (vi) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause. The Company has complied with all the mandatory requirements of this clause.

#### Compliance with non-mandatory requirements (as on 31st March, 2017)

The Company has adopted following discretionary requirements of Schedule II Part E of the SEBI LODR.

1. **Shareholders' Rights**  
The quarterly results of the Company are published in English (National daily) and a Hindi newspaper, having wide circulation in Haryana. Further, the quarterly results are also posted on the website of the Company– [www.jshlsteel.com](http://www.jshlsteel.com)  
In view of the foregoing, the half yearly results of the Company are not sent to the Shareholders individually.
2. **Modified Opinion(s) in Audit Report**  
During the period under review, there were no audit qualifications in the Company's financial statements. The Company continues to adopt best accounting practices.
3. **Reporting of Internal Auditor**  
Ernst & Young LLP, was the internal auditors of the Company for the year 2016-17 and made presentations on their reports to the Audit Committee. Price Waterhouse Coopers India LLP ("PWC") have been appointed as Internal Auditors of the Company for the financial year 2017-18.

#### 9. 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 certification on financial reporting and internal controls to the Board as specified in Part B of Schedule II to the SEBI LODR. They also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of the SEBI LODR.

##### (c) Code of Conduct

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

To the Shareholders of Jindal Stainless (Hisar) Limited

Sub.: Compliance with Code of Conduct

I hereby declare that for the financial year ended 31st March, 2017 all the Board members and senior management personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Place: New Delhi  
Date: 15th May, 2017

(Ashok Kumar Gupta)  
Whole Time Director

#### General Disclosures

- (i) A summary of transactions with related parties in the ordinary course of business is periodically placed before the audit committee;
- (ii) The mandatory disclosure of transactions with related parties in compliance with Accounting Standard Ind AS is a part of this annual report;
- (iii) While preparing the annual accounts in respect of the financial year ended 31st March, 2017, 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 THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

To the Members,

##### Jindal Stainless (Hisar) Limited

We have examined the compliance of the conditions of Corporate Governance by Jindal Stainless (Hisar) Limited for the year ended on March 31, 2017 as stipulated in the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for the period from April 1, 2016 up to March 31, 2017.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for the period from April 1, 2016 up to March 31, 2017 have been complied with by the Company and that no investor grievance(s) is/are pending for exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee / Share Transfer Committee of the Board.

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

Place: New Delhi  
Dated: 31st July, 2017

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

**FORWARD-LOOKING STATEMENT**

This Annual Report includes forward-looking statements regarding guidance, industry prospects, or future results of operations or financial position. We use words such as anticipates, believes, expects, future, intends, and similar expressions to identify forward-looking statements. Forward-looking statements reflect management's current expectations and are inherently uncertain. Actual results could differ materially for a variety of reasons, including, among others, fluctuations in foreign exchange rates, changes in global economic conditions and customer spending, world events and the rate of growth among others. The company assumes no responsibility to amend, modify or revise any such statements. The company disclaims any obligation to update these forward-looking statements except as may be required by law.

**OVERVIEW**

Jindal Stainless (Hisar) Limited continued to march ahead on its all-encompassing vision of Providing Trustworthy and Innovative Stain-less Solutions transforming at a rapid pace and catering to the requirements of millions of people globally. Rooted in this cause, the organization has been able to scale-up its market reach, improve all key operational parameters, strengthen relationships with stakeholders and engage in welfare of the society through several new initiatives.

Stainless Steel is an extremely versatile metal and awareness about this metal is growing in multiple segments like Architecture, Building & Construction (ABC), Automotive, Road & Transport (ART) & process engineering. As a result of diversification into new segments, stainless steel today enjoys high visibility through its usage in metro train, Rajdhani coaches or bus queue shelters. In fact, compared to the situation which prevailed in the early 1990s, when utensils and kitchenware segment accounted for most of the stainless steel consumption in India, the sector consumers only 55% of the total production. The other notable developments include increased usage of stainless steel in the infrastructure projects including smart cities and individual home space going beyond utensils and new applications such as overhead water storage tanks. Moreover, with more stringent norms like Euro-VI kicking in by 2020, consumption of stainless steel is expected to get a further boost.

With India now emerging as one of the fastest growing consumer of stainless steel, countries saddled with excess stainless steel capacity are eyeing this market. Today, the biggest threat is from China, which has a surplus production of 3 million metric tons of stainless steel. Despite operating at 69% capacity utilization, it still continues to add capacities. There have been frequent instances of trade remedial action against China in stainless steel but they have failed to address the concerns. The industry has taken up this issue with the Government and is eagerly awaiting a solution.

With increased demand of stainless steel in traditional and uncharted sectors along with our unique experience in delivering highest quality product and customer experience, we are confident to maintain our position as a leading stainless steel company in the world. The company recorded highest ever production and revenue numbers (details in subsequent sections), while ensuring global standards of corporate governance. Going forward, we seek to invest efficiently in several areas of technology to enhance the customer experience and improve our process efficiencies. Inside Jindal Stainless, we will continue to bet on building market awareness, developing new applications of stainless steel and creating a customer-oriented culture to build a sustainable differentiation for the company.

**ECONOMIC OUTLOOK**

The financial year 2016-17 was marked by major events such as the US Presidential election and UK's Brexit referendum that contributed to socio-economic uncertainty. However, global growth prospects improved and fears of deflation receded towards the end of the year, helped by rising commodity prices and hopes of a fiscal stimulus in the US. International Monetary fund (IMF) revised the world output growth to 3.1% in 2016 and expect it to further increase to 3.4 percent in 2017 and 3.6 percent in 2018, slightly above the October 2016 World Economic Outlook (WEO) forecast. Overall, although global economy has started to pick-up, major structural impediments (low productivity growth and high-income inequality) and deflationary pressures in markets like Japan is likely to persist in the medium term.

**Table 1: Overview of the World Economic Outlook Projects**  
*(Percent change unless noted otherwise)*

	YEAR OVER YEAR (YOY)			
	Estimates		Projections	
	2015	2016	2017	2018
<b>World Output</b>	<b>3.2</b>	<b>3.1</b>	<b>3.4</b>	<b>3.6</b>
<b>Advanced Economies</b>	<b>2.1</b>	<b>1.6</b>	<b>1.9</b>	<b>2.0</b>
United States	2.6	1.6	2.3	2.5
Euro Area	2.0	1.7	1.6	1.6
<b>Emerging Market and Developing Economies</b>	<b>4.1</b>	<b>4.1</b>	<b>4.5</b>	<b>4.8</b>

Source: <http://www.imf.org/external/pubs/ft/weo/2017/update/01/>

Similarly, activities is projected to pick up markedly in emerging market and developing economies contributing to over 75% of global growth in output and consumption. In India, the growth forecast remains between 7 and 8 percent, slightly lower than earlier estimates primarily because of the temporary negative consumption shock induced by cash shortages and payment disruptions from the recent currency exchange initiative. Medium-term growth prospects are favorable, driven by key reforms, loosening of supply-side bottlenecks, and appropriate fiscal and monetary policies.

Moreover, the ushering in of the GST regime promises to bring in an era of fiscal stability, elimination of procedural bottle necks and promotion of uniformity in the taxation structure. Such initiatives by the Government of India along with the focus on developing infrastructure in the form of Smart Cities, stations redevelopment, metro projects in 50 cities, new & emerging areas like water management & sewage treatment, public projects like bus shelters, bio toilets among others, will definitely add to many more prospects for business growth in the coming years.

**GLOBAL STAINLESS STEEL SCENARIO**

The demand and production of stainless steel witnessed robust growth across the world. As per the data provided by the International Stainless Steel Forum (ISSF), melt shop production in the world surged by 10.2%, growing from 41.5 million metric tones (MT) in 2015 to 45.8 MT in 2016. Most of the production growth was driven by China that grew by 15.7% year-on-year.

**Table 2: Stainless and heat-resisting melt shop steel production [000 metric tons]**

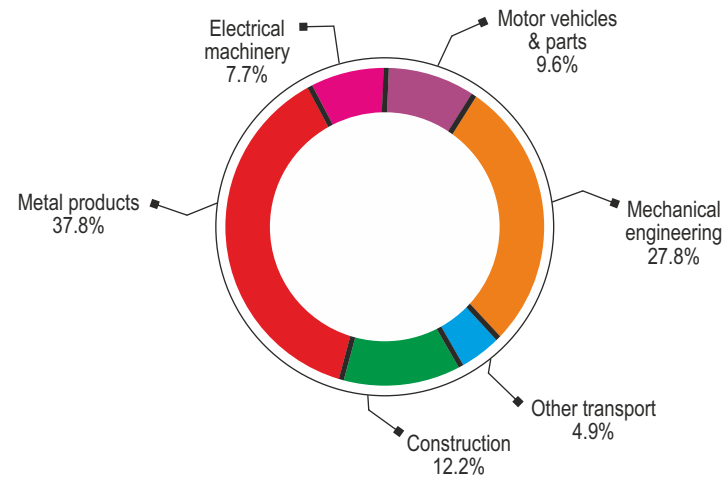
Region	Quarter				+/- % Q-o-Q	+/- %		+/- % Y-o-Y
	Q-1, 2016	Q-2, 2016	Q-3, 2016	Q-4, 2016		2015	2016	
<b>W. Europe/ Africa</b>	1,958	2,047	1,761	1,939	10.1%	7,518	7,705	2.5%
<b>Central/Eastern Europe</b>	65	61	63	58	-7.9%	259	247	-4.6%
<b>The Americas</b>	642	722	815	753	-7.6%	2,747	2,932	6.7%
<b>Asia (w/o China)</b>	2,395	2,447	2,524	2,590	2.6%	9,461	9,956	5.2%
<b>China</b>	5,214	6,551	6,321	6,852	8.4%	21,562	24,938	15.7%
<b>Total</b>	<b>10,274</b>	<b>11,828</b>	<b>11,484</b>	<b>12,192</b>	<b>6.2%</b>	<b>41,547</b>	<b>45,778</b>	<b>10.2%</b>

Source: [http://www.worldstainless.org/Files/issf/non-image-files/PDF/ISSF\\_Stainless\\_Steel\\_in\\_Figures\\_2017\\_English\\_Public.pdf](http://www.worldstainless.org/Files/issf/non-image-files/PDF/ISSF_Stainless_Steel_in_Figures_2017_English_Public.pdf)

Overall, stainless steel demand index increased by 50% in the last 6 years. World Average Per Capita Consumption of stainless steel increased to 5.2 Kg in place of 5 Kg in 2015 with Taiwan, Korea and Japan being the major consumers of stainless steel in terms of per capita consumption. About 75% of the total consumption has come from sectors like metal products (37.8%) followed by mechanical engineering (27.8%), and motor vehicles and parts (9.6%).



Figure 1: Stainless steel use per sector - 2016



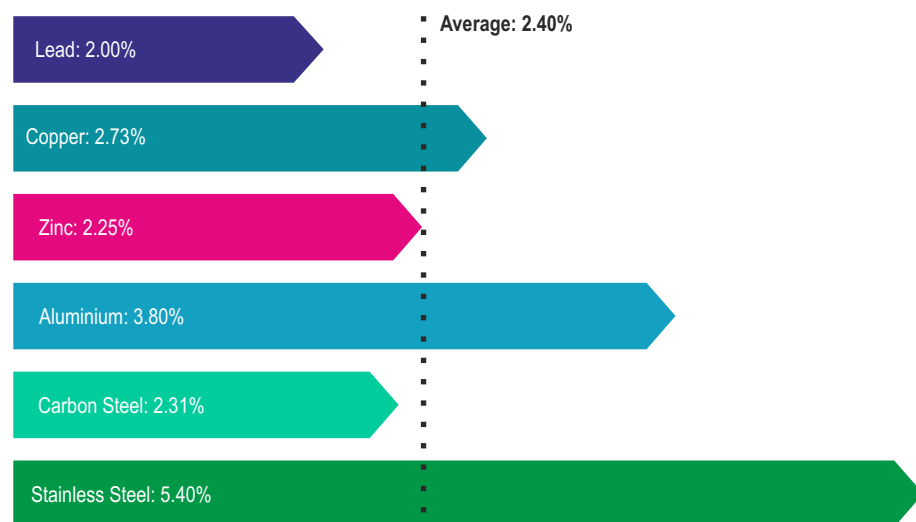
Source: [http://www.worldstainless.org/Files/issf/non-image-files/PDF/ISSF\\_Stainless\\_Steel\\_in\\_Figures\\_2017\\_English\\_Public.pdf](http://www.worldstainless.org/Files/issf/non-image-files/PDF/ISSF_Stainless_Steel_in_Figures_2017_English_Public.pdf)

China continues to be single most dominant force both in production and consumption of Stainless Steel. China witnessed accelerated growth of cold-rolled consumption in 2016 primarily due to the credit creation stimulus by the government which led to demand growth in sectors like infrastructure, real estate, and vehicle production. While the Chinese domestic market thrived, exports from China remained under check due to ADD and countervailing duties imposed by European and USA government. This ensured that domestic industries struggled to compete and prices remained under stress in the non-tariff countries.

On the raw material side, after a steep decline by the end of 2015 and start of 2016, nickel prices increased considerably to reach above \$11,000/pmt levels in the month February 2017 primarily due to nickel mines ban in Philippines and also due to increase in Chinese stainless steel production. Major corrections happened in nickel prices post announcements of Indonesian government on nickel export ban relaxations which played an important part in pushing the nickel prices downwards from March 2017 onwards. Prices are expected to remain between \$10,000 - \$12,000 levels given the expected record production of stainless steel of 46 million MT, resulting in total demand of virgin nickel as 2.08 million MT against supply of 2.03 million MT.

Measured over a period of 25 years, from 1980 to 2015, the compound annual growth rate (CAGR) of stainless steel stands way higher than that of other metals in the world. Here's a snapshot on how stainless steel has grown over the long haul as a preferred choice among metals:

Figure 2: CAGR of major metals (%/year): 1980-2016



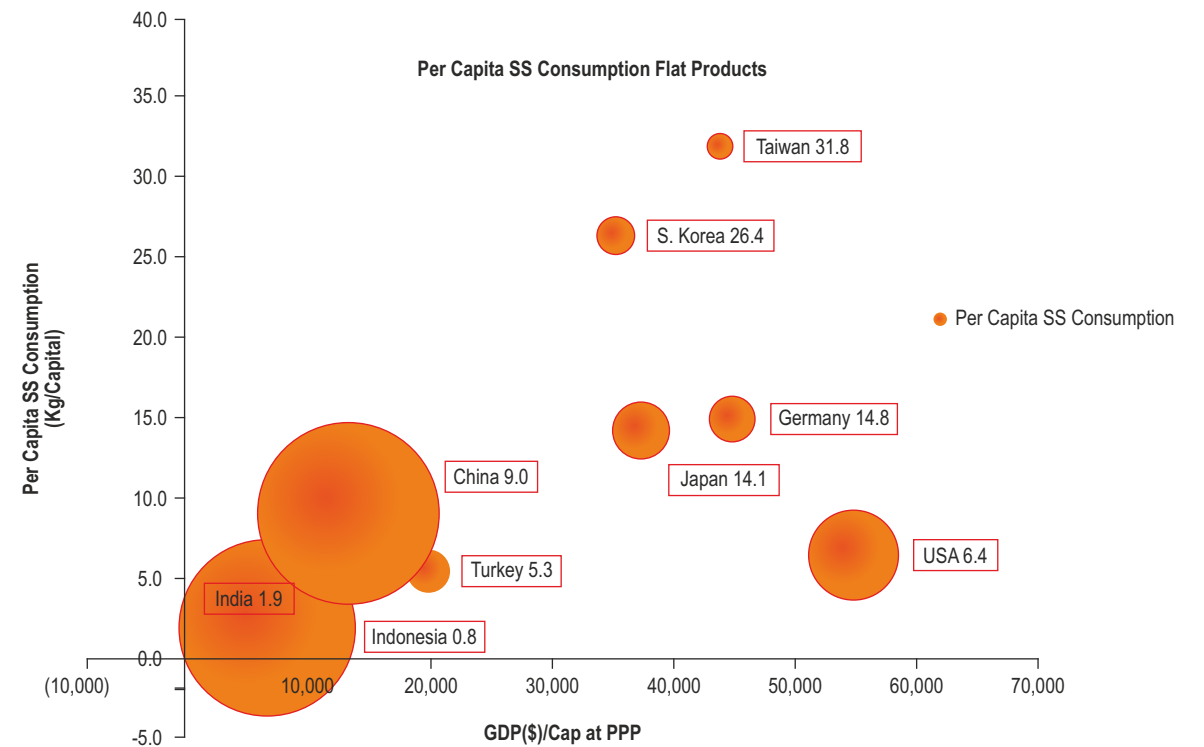
Source: [http://www.worldstainless.org/Files/issf/non-image-files/PDF/ISSF\\_Stainless\\_Steel\\_in\\_Figures\\_2017\\_English\\_Public.pdf](http://www.worldstainless.org/Files/issf/non-image-files/PDF/ISSF_Stainless_Steel_in_Figures_2017_English_Public.pdf)

Financial Year 2016-17 was marked by an increase of stainless steel prices in Western Europe, USA, China and South East Asia. The price increase was particularly supported by soaring alloy costs and lower levels of distribution stocks. Moreover, during October–November 2016, South African producers of ferro-chrome announced a rise in prices that further strengthened the prices of stainless steel in second half of FY2016-17.

**INDIA STAINLESS STEEL SCENARIO**

Having claimed the second position worldwide in stainless steel production in FY17, the Indian stainless steel industry is now second only to China. India registered a growth of 8.6% per annum in 2016 year-on-year, with increasing the total melt shop production to 3.32 million metric tons in 2016 from 3.1 million metric tons in 2015. India's growth momentum is likely to accelerate even further, spurred by several government initiatives viz. Smart Cities, Make in India, improving sanitation facilities, better waste management and infrastructure creation. Moreover, India's per capita consumption of stainless steel is still only 1.9-2 Kg (as compared to the world average of 5.2 kg) indicating an immense potential for growth.

Figure 3: Global SS Consumption per Capita



Source: CRU May 2015

Imports and dumping from countries like China saw a staggering rise in imports by about 15% in the first nine months of the fiscal, and were only reduced after the imposition of the Quality Control Order (QCO) in February 2017. Overall, imports in FY 16-17 remained stagnant at same levels as in FY 15-16.

**STAINLESS STEEL CONSUMPTION IN INDIA**

The stainless steel consumption in India can be classified broadly into 6 to 7 categories – Cookware & Durables; Process Industry; Engineering Goods; Electro Mechanical Industries; Architectural, Building and Construction (ABC); Automobile, Railways & Transportation (ART) and other miscellaneous products. Out of these Cookware & Durables; Process Industry; Engineering Goods and Electro Mechanical Industries are relatively mature applications areas whereas areas like ABC, ART and miscellaneous new applications are still evolving in the country and have a great potential for growth. In line with these expectations, the pattern of stainless steel consumption by end use is likely to change in future.<sup>1</sup>

<sup>1</sup>[http://www.stainless-steel-world.net/pdf/Bright\\_future\\_dawning\\_for\\_Indias\\_stainless\\_industry.pdf](http://www.stainless-steel-world.net/pdf/Bright_future_dawning_for_Indias_stainless_industry.pdf) and Internal Estimates

Figure 4: Consumption Pattern of SS Flats by end use sectors - FY 23 in %

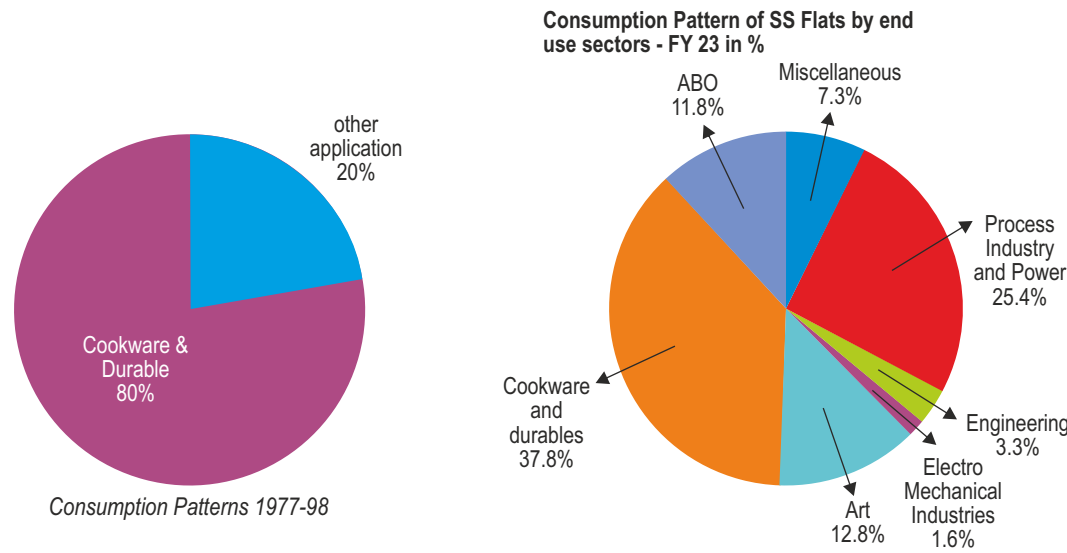
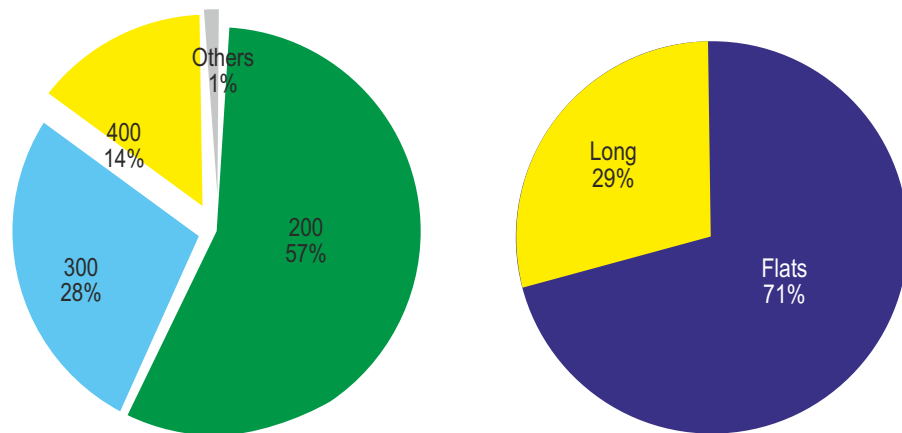


Figure 5: Over all Production of Stainless steel product by grade (%)



**EMERGING MAJOR CATEGORIES IN USAGE OF STAINLESS STEEL:**

The **automotive, railway and transport (ART)** sector is now emerging as the sector with the fastest growing consumption of stainless steel in the country. As information on the virtues of this metal is disseminated to the masses, it will only find greater acceptance in wide ranging applications. An example of this is the policy announcement by Ministry of Railways to the effect that from 2017-18 onwards, there will be ambitious program to convert 55,000 coaches to LHB technology which will entail the usage of stainless steel. Initiatives such as these will help to spread the message of stainless steel amongst the masses.

Another emerging segments for stainless steel consumption is the **Architecture, Building and Construction (ABC)** sector. The ABC sector is mostly driven by growth in the Indian real estate sector consisting of residential real estate, commercial real estate, retail space, entertainment space, hospitality projects and Special Economic Zones. The current use of Stainless Steel in the construction segment in our country is miniscule, but growing rapidly driven by rapid urbanization (elevators and escalators); integrated applications (modular kitchens etc); and architectural products (building facades, decorative material etc).

The tremendous changes in perception of stainless steel within the country have also opened many **new areas of applications** such as nuclear and defense where earlier the country was dependent on imports. The category also includes niche applications such as surgical instruments, coins, razors, and replacement of traditional materials such as furniture. A lot of credit also goes to the technological and skill upgradation of stainless steel fabrication in India which enabled the use of stainless steel in such applications.

**FINANCIAL REVIEW**

**FY16-17**

**Consolidated Figures**

(₹ in Crore)

Particulars	JSHL STANDALONE	JSHL CONSOLIDATED
Gross revenue	7,636.25	8,601.19
EBITDA before exceptional items	924.30	980.88
Interest, Depreciation & Others before exceptional item	677.17	716.64
Profit before exceptional items and Tax	307.83	329.24
Profit before Tax	325.85	407.76
Tax expense	107.83	117.07
Profit of the year	215.77	287.93
Earning per share (in ₹)	9.32	12.26

**FY15-16**

**Consolidated Figures**

(₹ in Crore)

Particulars	JSHL STANDALONE	JSHL CONSOLIDATED
Gross revenue	7,068.46	8,017.19
EBITDA before exceptional items	804.56	861.29
Interest, Depreciation & Others before exceptional item	754.40	798.16
Profit before exceptional items and Tax	75.07	88.87
Profit before Tax	30.11	43.53
Tax expense	5.28	7.08
Profit of the year	23.93	35.76
Earning per share (in ₹)	1.07	1.58

The Company Consolidated Revenue from operations has increased by 6.82% at ₹ 8536.19 Crore as compared to ₹ 7991.45 Crore during previous year 2015-16. Consolidated EBITDA stood at ₹ 980.88 Crore as compared to ₹ 861.30 Crore during previous year (growth of 13.88 % over previous year). The PAT for the year was ₹ 287.93 Crore against ₹ 35.76 Crores in previous year. The EPS for the year was ₹ 12.26 against ₹ 1.58 for the previous year. The Interest expense for the year reduced to ₹ 431.41 Crores from ₹ 493.35 Crore in previous year due to repayment of Loans and reduced interest rates on various facilities.

The Standalone Revenue from Operations has increased by 7.55% at ₹ 7575.55 Crore as compared to ₹ 7043.64 Crore during previous year 2015-16. Standalone EBITDA grew by 14.88% and stood at ₹ 924.30 Crore as compared to ₹ 804.65 Crore during previous year. The PAT for the year was ₹ 215.77 Crore against ₹ 23.93 Crores in previous year. The EPS for the year was ₹ 9.32 against ₹ 1.07 for the previous year. The Interest expense for the year reduced to ₹ 411.93 Crores from Rs 469.40 Crore in previous year due to repayment of Loans and reduced interest rates on various facilities.

**AWARDS AND RECOGNITION**

Jindal Stainless (Hisar) Limited gleaned several awards and accolades during the year. Such recognition validates the company's focus on a 360 degree approach to development. JSHL has been recognized for its performance as well as social commitments, which are illustrated in detail in the Awards & Accolades section of this report.



**PILLARS OF GROWTH**
**1. Human Resources**

The sheen of stainless steel products of Jindal Stainless (Hisar) Limited (JSHL) is a reflection of the quality of its people. JSHL remained steadfast on its commitment to further a High-Trust, High-Performance Work Culture. The organization successfully accomplished the milestone of being **Great Place to Work-Certified™**. By participating in this rigorous assessment, we put ourselves through the litmus test of employee engagement and emerged with encouraging results. As we move towards a Stainless future, every-day our enterprising employees seek and find innovative solutions to improve the lives of all our stakeholders. Please refer to section Unleashing People Power for more details.

**2. Unmatched Customer Orientation**

Our team undertook a host of initiatives to strengthen internal processes and improve customer satisfaction. Strengthening of business relations through long term contracts, digitizing pre & post -sales activities, increasing reach through expanding distribution network, focused retail sales through service centers by making material available just in time (JIT), implementing bar coding, streamlining credit management process and standardizing quality complaint process are a part of this drive, to name a few. In line with increasing footsteps across the country and to create supply chain as a competitive advantage, we are serving the customers through our offices and warehouses located in more than 10 locations.

**3. Value-added Products and Innovative Applications**

Over and above improving our customer facing activities, the company has actively focused on spreading awareness in fabricator workshops and customer education. Similarly, the company announced its entry into the Indian defence market in collaboration with Defence Research & Development Organization (DRDO) for producing High Nitrogen Steel (HNS) used in armaments. In the Long Product section, which started out with round bars, we extended the array of offerings to flat bar, square/hexagonal bar and equal angles. We continue to leverage our experience and R&D expertise to explore and grow new applications.

**4. Continuous Learning**

The organization remains agile to new technologies and innovations to further improve the processes and bring-in efficiencies. The company actively engages with all its stakeholders – employees, customers, vendors, service providers, consultants and community – to derive these learnings. We witnessed a continuous drop in quality complaints and a significant increase in communication between the company and internal/external world.

**5. Responsible Citizenship**

In our journey of growth, the company has ensured safe working conditions, excellent corporate governance and community inclusion. Details of each of these are covered separately in the BRR report and company's website.

**RISKS AND CONCERNS**

The company is exposed to normal industry risk factors like market fluctuations, economic slowdown, government policies logjam and 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 operations of its products and engineering activities. The company has also made efforts to mitigate risks by enhancing the quality of its products, investing in latest equipment and technology, reducing energy consumption and improving productivity. The management actively benchmark relevant operational parameters and ensures adequate level of liquidity is maintained for smooth operations.

**INTEGRATED MANAGEMENT SYSTEMS**
**Quality Management System (ISO 900)**

In this highly competitive business world, where the customer settles for nothing less than excellence, Jindal Stainless (Hisar) Limited is driven to deliver quality - from the way they operate, to the customer service standards they establish and the products they deliver. This is a strategic vision to improve brand equity and image and ensure that JSHL is better equipped to win new opportunities in an increasingly competitive global marketplace. To achieve this, JSHL has adopted the Internationally recognized quality management system (ISO 9001) that not only ensures that the customer's requirements are fulfilled across each stage of processing but also aids the organizations to compete globally both in product and process quality. As a part of its approach towards manufacturing excellence under the ISO 9001 regime, JSHL undergoes strict third party audits at regular intervals by a team of competent personnel to ensure that the requirements are thoroughly and regularly followed.

**Environmental Management System (ISO 1400)**

JSHL's commitment towards a sustainable and green environment has been demonstrated by ISO 14001 certification, which it achieved in 2003. ISO 14001 is a set of guidelines and requirements that encourages companies to put an Environmental Management System (EMS) in place to identify impacts and adopt policies, plans and actions to drive continuous improvement pertaining to environment friendly work practices. Being ISO

14001 compliant helps JSHL with the dual purpose of ensuring that processes are functioning in an environmentally friendly manner and at the same time it also ensures that new processes are designed in such a way as to cause minimum environment degradation. Through ISO 14001 implementation, JSHL demonstrates its intent of being a better corporate citizen.

**Occupation Health and Safety Management System (OHSAS 1800)**

Any organization is as healthy as the workforce running it. Employees can remain motivated if they feel safe and happy at their workplace. Workplace safety is important for the very reason of improved productivity. In this direction, JSHL got the OHSAS 18001 certification way back in 2003, thereby demonstrating its commitment to instigate proper and effective management of health & safety in the workplace. By having a clearly defined management system in place to identify and control health and safety risks, JSHL is able to minimize risks to its workforce and visitors. This also enables JSHL to put in place processes for continually reviewing and improving occupational health and safety.

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-2014/68/EU) 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. Recently, the product portfolio for the PED and AD certifications has been upgraded to include Long Products as well.

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

**ENVIRONMENT, HEALTH & SAFETY**

We measure the environmental and social impact of our products at both a production level and over their full life cycle, from resource extraction to waste management. Insights from these studies show us where we can further improve and where to target our technology, so we constantly improve the sustainability performance of our customers or end users. At every stage of operations, JSHL 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 JSHL 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, JSHL 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
- Strive to make steel production more sustainable and to minimize its environmental impact

Our approach to sustainable production involves building greater efficiency into products and processes, reducing carbon emissions in the entire lifecycle of steel, improving water management at our operations, and recycling residual products. To meet environmental standards, ambient air, noise level, stack monitoring, dust and other emission levels are monitored to ensure they stay within permissible limits. The Company continues to invest in process and technologies that are more energy

To be in harmony with nature, JSHL continues its efforts such as tree plantation, maintenance of green belts and gardens in and around our manufacturing, 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. Following are the salient features

- Continuous Monitoring of Water and Waste Water, Ambient Air Quality, Stack Gas, Noise, Shop Floor & Lux Level & other parameters
- Waste Water Treatment Facility & its recycling
- Air Pollution Control Systems
- Environmental Awareness & Training Programs

In its pursuit of environmental sustainability alongside its business development JSHL has setup norms beyond the statutory requirements and has put into place systems and processes to continuously monitor the effectiveness of such initiatives. We firmly believe that corporate growth is strengthened by our efforts in the area of environment protection and making a greener tomorrow. The Company goes beyond mere compliance legislation to create a healthy environment both within and outside plants. Our operations have a fully equipped environment management infrastructure in place. We use suitable processes and technology to make stainless steel without adversely impacting the environment. Equipments for monitoring and technology used for environment management & waste management is also a part of this process.

**Details of Environment Campaigns are as given**

- World Environment Day - 5th June
- Van Mahotsava week - 1 to 7th July
- Ozone Day - 16th Sept
- World Environment Health Day – 26th Sept
- World Water Day - 22nd March

**HEALTH**

JSHL has a strong commitment towards creating and providing a healthy and safe working environment for all its employees and other stakeholders. Unit 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.

JSHL 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 JSHL also offers a Medclaim policy that provides for healthcare expenses and other benefits to employees and their family members. Following are the salient features of health initiatives:

- Health check-up of every employees
- Free Vaccination scheme for employee's children
- Welfare amenities like water cooler, clean Toilets inside plant premises
- Sports activities for good health
- Providing Healthy and Hygienic food in the canteen
- Cold, sweet and salted water in the summer
- Health check up for employees engaged in hazardous process
- Health awareness campaign by doctors
- Medical checkup as per Legal requirements.

**SAFETY**

Safety is the top most priority across the JSHL and we aspire to set the benchmark on this front within our unit. 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.

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 which ingrain safety culture.

JSHL'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.

**IMPLEMENTING A ZERO ACCIDENT VISION**

Zero Accident is a viewpoint stating that no one to be injured as the result of an accident in the workplace. Zero Accident Vision proposes that **all accidents can be prevented** and offers a basis for learning from incidents and capturing near misses and its proper analysis implementing suggestive measures to avoid repetition of incident.

**SEVEN RULES OF VISION ZERO ACCIDENT**

- Leadership commitment
- Identify all hazards and risks
- Set safety and health targets
- Ensure a safe system
- Use safe and healthy technology
- Improve qualification
- Involve people

**To attain vision of zero accidents, several Safety Campaigns were observed during the year:**

- Fire Safety month
- Road Safety Week
- Compliance on PPEs

**CUSTOMER SUPPORT SYSTEMS**

The Customer Satisfaction related activities have been strategically focused for improvement with target of Zero Failure. These are mainly towards reduction in claim settlement time, faster response to customer enquiries and improving customer service. A regular interaction of cross functional teams is being undertaken and religiously followed for no communication gap to ensure target.

**DEVELOPMENTS IN TESTING, CERTIFICATIONS & APPROVALS**

With growing demand of certification coverage, new attributes of material testing are incorporated in the system. Lankford Coefficient is one of such attributes which is widely referred in Automotive Industry.

**LICENSES ACCORDED BY BIS (Bureau of Indian Standards)**

- BIS 6911: Stainless Steel for General Usage
- BIS 5522: Stainless Steel for Utensils
- BIS 15997: Low Ni Austenitic SS for Utensils

**CERTIFICATION FROM TUV NORD GERMANY**

- PED & AD 2000 W0 certification obtained for Round Bars

**APPROVALS:**

- Petroleum Development Oman (PDO) for supplying Stainless Steel HRAP & CRAP Products

**RESEARCH & DEVELOPMENT**

During the financial year 2016-17, JSHL has exhibited special attention on the development of various grades for defence applications which are being extensively manufactured using forging and hot rolling route.

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, stabilized austenitic to stabilized 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

**TECHNOLOGY PARTNERSHIP WITH DRDO**

- JSHL signed TOT (Transfer of Technology ) with DRDO (Defense Research & Development Organization for manufacturing of High Nitrogen Steel (HNS)

**DEVELOPMENT OF NEW PRODUCTS**

- Development of ultra high strength (Tensile strength > 1500MPa) low alloy steel JD1 suitable for ballistic application.
- Development of 15CDV6 grade with High Strength and good toughness in hot rolled cold rolled and forged rings for defense application.
- Development of 444 grade for automotive exhaust with excellent corrosion resistance in many types of environments that include chlorides, organic acids found in foods and beverages.
- Development of Stabilized Ferritic Stainless Steel Grade 432 for automotive application.
- Development of Lean Duplex Stainless Steel Grade UNS 32304 in CRAP condition for Paper and Pulp Industry.
- Development 301Si grade with ultra high strength (YS >1800 MPa) for spring applications (400 micron).
- Development of highly corrosion resistant Super Austenitic Stainless Steel Grade 904L in 100 micron for Air Purifier Application.
- Developments of 304L for mirror finish applications.
- Development of 409L with low Aluminium designed for high frequency welding.
- Development of grade 303 for long product applications designed for good machinability.
- Development of 316L for turbo charger application.
- Development of 201 grade with low yield strength (YS of 325 Mpa Max)

**PROCESS IMPROVEMENT**

- Improvement in the yield of EQ 309LNb by preventing edge cracks during hot rolling
- Improvement in the yield of 204Cu during hot rolling.
- Achieved improved surface quality in 432 grade, which is being extensively used in automobile sector.
- Improvement in steel cleanliness of 321 grade using modified steel melting practice.
- Improvement in the yield of UNS S 30185.

**COST REDUCTION**

- Improved Cr recovery in Electric Arc Furnace.
- Optimization of bell annealing cycle for X2CrNi12

**BENEFITS DERIVED**

- Increased foothold in fast growing market segments of long products, nuclear & defense segment
- Cost reduction through different initiatives.
- More value added products.

**FUTURE PLAN OF ACTION**

- Indigenous development of High Aluminium Ferritic Stainless Steels.
- Manufacturing of shaft and disc of HNS grade using ingot forging route.
- Maximize cost reduction by optimization of raw material.

**DETAILS OF MARKET DEVELOPMENT ACTIVITIES DURING THE YEAR**

The company conducted following events and activities -

**Sugar Conference** - Sugar Technologist Association of India (STAI) organized a conference on “**Emerging Trends in use of Stainless Steel to combat Corrosion in Sugar & Allied Industries**” supported by Jindal Stainless to highlight the usage of stainless steel in Sugar & Allied Industries. Multiple presentations were made by the equipment manufacturers; sugar manufacturers; welding companies stressing the importance of using stainless steel in the Sugar Industry. 100+ participants pan India participated in the program and appreciated the initiative of Jindal Stainless in providing information on key parameters of stainless steel usage and discussed their queries and concerns.

**Water Conference** - Jindal Stainless in association with WAPTEMA (Water Purification & Treatment Equipment Manufacturer Association) conducted a seminar on “**Stainless Steel Solution in Water Purification Industry**” on 29th March, New Delhi. The objective of the seminar was to deliberate on the innovative technologies being used in water purification industry especially with reference to use of Stainless steel in various equipments manufactured. The technical sessions, imparted knowledge on importance of using stainless steel and on right technical parameters related to welding and finishing. Seminar was attended by more than 50 participants from the Industry and was very well appreciated by the customers.

**Fabricator Training** - Jindal Stainless conducted training programs for small fabricators in 6 cities i.e. Varanasi, Bareilly, Bhiwadi, Bangalore, Kochi, Narnaul, Pithampur, Gwalior, Agra, Haridwar, Hapur, Hyderabad & Gurgaon; 1450 participants from respective regions dealing in SS & MS fabrication were trained in this quarter. More emphasis was given to address right usage of SS grades; fabricators concerns of welding, finishing & possibilities of fabrication of more items with SS. Marketing team was supported by regional Sales team, L&T, Emiclean, ESAB, PSSR Group & ISSDA. Total of 2500 fabricators in 33 cities have been trained.

**College of Engineering (Pune)** - Jindal Stainless as part of its initiative in imparting training to young engineering students participated in COEP, Pune conference on Advanced Metals and Metallurgy and delivered a presentation on stainless steel characteristics and benefits. More than 100 participants from across the industry participated in the conference and deliberated on having more institute-industry interactions.

**Make in Steel-Make in India** - : Jindal Stainless participated in Conference on “**Make in Steel- Make in India**”, organized by Ministry of Steel & KATM. The program focused on how to increase usage of steel/stainless steel in the country. Hon'ble Union Minister of Steel Shri Ch. Birender Singh inaugurated the session. Dr. Aruna Sharma, Secretary, Ministry of Steel along with other key officials of Ministry of Steel, major steel companies were present during the program. During the speech, Minister highlighted the key benefits of usage of stainless steel especially in maintaining hygiene in water industry. Mr. Ashok Gupta gave a presentation on usage of stainless steel particularly in Metro Coaches & highlighted the need of sourcing

**Alambagh Railway Workshop (Lucknow)** - Jindal Stainless conducted Stainless Steel awareness program in Alambagh Railway Workshop, Lucknow. Senior management of Railway workshop along with 75 Supervisors and technicians attended the program and discussed their queries and concerns related to stainless steel repair/ fabrication. The technical session was followed by a visit to the workshop to explore areas of improvement by replacing other metals by Stainless Steel.

**WAY FORWARD**

Today business is transitioning to a new age wherein technology is playing a central role in the operations and growth. The power of any organization depends on its ability to make leverage knowledge and make effective decisions on a real-time basis. In order to achieve this, JSHL is working in close coordination with end customers, manufacturers and industry at large to understand their needs and concerns and partnering with them to provide Stainless Steel solutions. The company is coordinating with more than 23 associations like Dairy, Sugar & Water Industry and working closely with them in highlighting benefits and usage of stainless steel.

Increased usage of LNG, a cleaner fuel and implementation of stricter pollution control norms for automobiles & thermal power plants are priority areas for Government of India. JSHL is closely working with these industries for providing lasting solutions with stainless steel. Other key areas for JSHL include developing wear-resistant stainless steels to provide longer life, low life cycle cost alternates for coal mining, transport & thermal power plants.

Another focus area of JSHL next year is to develop a strategy on brand promotion and help consumers realize the importance of stainless steel in their day to day life. Social Media will be effectively utilized to reach larger audience and make them aware of stainless steel material.

In addition, JSHL has planned various initiatives to increase customer satisfaction. These include digitization initiatives like Bar Coding of products, auto dispatch information to customer and customer portal (C4C). We believe that these initiatives will not only help in servicing the customer, but also, support the sales team with real time information & analytics.

Last, but not the least, the company continues to explore growth opportunities in both domestic and international markets and plans to make strategic investments towards capacity expansions and operational improvements.



**TO THE MEMBERS OF JINDAL STAINLESS (HISAR) LIMITED****REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS**

We have audited the accompanying standalone Ind AS financial statements of JINDAL STAINLESS (HISAR) LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement for the year then ended and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information in which are incorporated the RETURN for the year ended on the date audited by the branch auditor of the company's branch at Kothavalasa in Vizianagaram district, Andhra Pradesh. (herein after referred to as "standalone Ind AS financial statements").

**MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these standalone Ind AS 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 there under.

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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 standalone Ind AS 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 Ind AS financial statements.

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure 'A' a statement on the matters specified in the paragraphs 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 and proper returns adequate for the purpose of our audit have been received from the branch not visited by us.
  - (c) The reports on the accounts of the branch office of the company audited under the section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
  - (d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Change in Equity dealt with by this Report are in agreement with the books of account and with the returns received from the branch not visited by us.

- (e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.
- (f) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) As required by section 143(3)(i) of the Companies Act, 2013, and based on the checking of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, our separate report with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is as per Annexure 'B'.
- (h) 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 standalone Ind AS financial statements – refer Note no. 33 & 42 to the standalone Ind AS 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 derivatives contracts.
  - (iii) There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv) The company had provided requisite disclosures in its Standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note No. 59 to the standalone Ind AS financial statements.

For **LODHA & CO.**  
Chartered Accountants  
ICAI-FRN: 301051E

N.K. LODHA  
Partner  
Membership No. 85155

**Place:** New Delhi  
**Dated:** 15th May 2017

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

SUNIL WAHAL  
Partner  
Membership No. 87294

**ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF JINDAL STAINLESS (HISAR) LIMITED FOR THE YEAR ENDED 31ST MARCH, 2017**

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
 (b) The Company has a regular programme of Physical Verification of its Fixed assets by which fixed asset have been verified by the management according to the programme of periodical physical verification in a phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.  
 (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company read with footnote (#) of Note No. 2 of the standalone Ind AS financial statements.
2. The inventories of the Company (except stock lying with the third parties and in transit) have been physically verified by the management at reasonable intervals. In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. The Company has granted loans, unsecured to one company covered in the register maintained under section 189 of the Companies Act, 2013:-  
 (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that terms and conditions of aforesaid loans so granted are not prejudicial to the interest of the Company.  
 (b) In respect of aforesaid loan, repayment of principal & payment of interest has been stipulated and principal & Interest (read with footnote @ to note no. 51) has not become due for payment as on 31st March, 2017.
4. According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security, the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.
5. In our opinion and according to the information and explanations given to us, the Company has complied with the directive issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under (to the extent applicable) with regard to deposit accepted from the public. Based on the records and information and explanations provided to us, the company has not accepted any deposit from the public during the year. We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.
6. We have broadly reviewed the books of account 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 Act in respect of the company's products to which the said rules are made applicable 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 the said records with a view to determine whether they are accurate or complete.
7. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March, 2017.  
 (b) According to the records and information & explanations given to us, there are no dues in respect of Income tax and value added tax that have not been deposited with the appropriate authorities to the extent applicable on account of any dispute and the dues in respect of service tax, duty of customs, duty of excise and sales tax that have not been deposited with the appropriate authorities on account of any dispute and the forum where the dispute is pending are given below:-

Name of the Statute	Nature of Dues	Amount (₹ in Crore)	Period (Financial Year)	Forum where dispute is pending
Central Excise Act	Excise Duty	0.02	April 1995-June 95	High Court, New Delhi
		6.58	Jan 1999- Dec 04	High Court of Punjab & Haryana
		2.87	Oct 11 - Jul 13	Revisionary Authority, New Delhi
		0.25	July'11-Sept'11	Revisionary Authority, New Delhi
		2.17	Oct 13 - Jun 14	Commissioner (Appeals), Delhi-I
		1.80	Aug-08 to 'June-09	CESTAT, Chandigarh
		0.74	Aug-09 to 'Feb-10	CESTAT, Chandigarh
		0.54	Jan 05-June 05	High Court of Punjab & Haryana
		0.08	2000-01	CESTAT, Chandigarh
		14.80	July 05- Dec 07	Commissioner, Rohtak
		2.91	2006-2007	CESTAT, Chandigarh

Name of the Statute	Nature of Dues	Amount (₹ in Crore)	Period (Financial Year)	Forum where dispute is pending
		0.08	1994-95	Addl. Commissioner of Central Excise, Rohtak
		0.01	April 07 to Oct 07	High Court of Punjab & Haryana
		0.05	May 07 to Oct 07	High Court of Punjab & Haryana
		0.05	July-2009	High Court of Punjab & Haryana
		0.84	May 10 - June 10	CESTAT, Chandigarh
		0.21	Sep. 10 - Dec. 10	CESTAT, Chandigarh
		0.02	Dec-06 To Oct-07.	Commissioner (Appeals), Visakhapatnam
		1.61	Oct-14 To Dec-14.	Commissioner (Appeals), Delhi-III, Gurgaon
		2.36	Jan-15 To Mar-15.	Commissioner (Appeals), Delhi-III, Gurgaon
		0.47	Jan-15 To Mar-15.	Commissioner (Appeals), Delhi-III, Gurgaon
The Custom Act, 1962	Custom Duty	0.10	2012-13	CESTAT, Delhi.
Finance Act	Service Tax	5.23	Dec 03- March-06	CESTAT, Chandigarh
		0.06	2005-06 to 2010-11	Commissioner (Appel), Delhi III, Gurgaon
		0.03	2010-11	Commissioner (Appel), Delhi III, Gurgaon
The Central Sales Tax, 1956	Sales Tax	0.03	1993-94	High Court of Punjab & Haryana

Also refer note no. 42

8. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, no default exists at balance date in repayment of loans and borrowings to financial institutions, banks, government and dues to debenture holders, as applicable.
9. On the basis of information and explanations given to us, term loan were applied for the purpose for which the loans were obtained. No moneys have been raised during the year by way of initial public offer or further public offer.
10. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the course of the audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations and records made available by the management of the Company and audit procedure performed, for transactions with the related parties during the year, the Company has complied with the provisions of Section 177 and 188 of the Act, where applicable. As explained and as per records, details of related party transactions have been disclosed in the standalone Ind AS financial statements as per the applicable Accounting Standards [Read with note no. 51].
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, except allotment of equity shares on conversion of compulsorily convertible warrants as stated in note no. 14 and 37 in respect of which requirement of section 42 of the Act have been complied with and the amount raised has been used for the purpose for which the funds were raised.
15. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with him.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

N.K. LODHA  
Partner  
Membership No. 85155  
**Place:** New Delhi  
**Dated:** 15th May 2017

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

SUNIL WAHAL  
Partner  
Membership No. 87294

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF JINDAL STAINLESS (HISAR) LIMITED**

**REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls over financial reporting of JINDAL STAINLESS (HISAR) LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date in which are incorporated the RETURN for the year ended on the date audited by the branch auditor of the company's branch at Kothavalasa in Vizianagaram district, Andhra Pradesh.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

**AUDITOR'S RESPONSIBILITY**

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

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

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

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **LODHA & CO.**  
Chartered Accountants  
ICAI-FRN: 301051E

N.K. LODHA  
Partner  
Membership No. 85155

**Place:** New Delhi  
**Dated:** 15th May 2017

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

SUNIL WAHAL  
Partner  
Membership No. 87294



**JINDAL STAINLESS (HISAR) LIMITED**

Balance Sheet as at 31st March, 2017

(₹ in Crore)

Description	Note No.	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	2	2,221.84	2,329.42	2,573.68
(b) Capital work-in-progress		40.54	52.93	28.97
(c) Goodwill	3	10.34	10.34	10.34
(d) Other Intangible assets	3	1.59	2.02	-
(e) Financial Assets				
(i) Investments	4	416.77	416.77	416.77
(ii) Loans	5	519.86	237.79	44.98
(iii) Others Financial Assets	6	47.16	25.72	25.79
(f) Deferred tax assets (net)	17	-	0.73	2.58
(g) Other non-current assets	7	8.67	4.99	11.07
<b>(2) Current assets</b>				
(a) Inventories	8	1,539.87	1,083.35	1,296.21
(b) Financial Assets				
(i) Trade receivables	9	1,088.54	774.51	923.41
(ii) Cash and cash equivalents	10	6.99	15.03	2.14
(iii) Bank balances other than (ii) above	11	1.04	0.38	-
(iv) Others Financial Assets	12	73.62	66.00	61.37
(c) Other current assets	13	334.19	103.40	380.87
<b>TOTAL ASSETS</b>		<b>6,311.02</b>	<b>5,123.38</b>	<b>5,778.18</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share capital	14	47.19	46.24	46.24
(b) Other Equity	14A	814.87	600.05	551.12
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	15	2,401.51	1,181.17	-
(b) Provisions	16	8.88	4.10	5.57
(c) Deferred tax liabilities (Net)	17	37.33	-	-
<b>(2) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	842.09	671.60	853.72
(ii) Trade payables	19	1,480.56	843.91	1,318.37
(iii) Other financial liabilities	20	344.21	1,516.36	2,731.98
(b) Other current liabilities	21	292.61	251.40	265.57
(c) Provisions	22	10.54	8.48	4.40
(d) Current Tax Liabilities (Net)	23	31.23	0.07	1.21
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,311.02</b>	<b>5,123.38</b>	<b>5,778.18</b>
<b>Significant Accounting Policies</b>	1			
<b>Notes referred to above are an integral part of the financial statements</b>	2-62			

**AUDITOR'S REPORT:**

In terms of our report of even date annexed hereto.

 For **LODHA & CO.**  
Chartered Accountants

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

For and on behalf of the Board of Directors :

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**N.K. LODHA**  
Partner  
Membership No. 85155  
FRN 301051E

**SUNIL WAHAL**  
Partner  
Membership No. 87294  
FRN 000756N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

**PLACE:** New Delhi  
**DATED:** 15th May, 2017

**JINDAL STAINLESS (HISAR) LIMITED**

Statement of Profit &amp; Loss for the year ended on 31st March, 2017

(₹ in Crore)

	Description	Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016
	<b>INCOME</b>			
I	Revenue from operations	24	7,575.55	7,043.64
II	Other income	25	60.70	24.82
III	<b>TOTAL INCOME (I+II)</b>		<b>7,636.25</b>	<b>7,068.46</b>
	<b>EXPENSES</b>			
	Cost of materials consumed	26	4,412.34	3,944.49
	Excise Duty on sales		685.74	673.90
	Purchases of Trading Goods	27	81.24	-
	Changes in inventories of finished goods, work in progress and Trading goods	28	(202.98)	150.54
	Employee benefits expenses	29	144.61	140.20
	Finance costs	30	411.93	469.40
	Depreciation and amortization expense	31	265.24	285.00
	Other expenses	32	1,530.30	1,329.86
	<b>TOTAL EXPENSES (IV)</b>		<b>7,328.42</b>	<b>6,993.39</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>307.83</b>	<b>75.07</b>
VI	Exceptional items - Gain/(Loss)	36	18.02	(44.96)
VII	<b>Profit/(Loss) before tax (V+VI)</b>		<b>325.85</b>	<b>30.11</b>
VIII	<b>Tax expense</b>			
	Provision for Current Tax		69.77	3.43
	MAT Credit Entitlement		(42.47)	(2.95)
	Provision for Deferred Tax		80.53	4.80
IX	<b>Profit/(Loss) for the year (VII-VIII)</b>		<b>218.02</b>	<b>24.83</b>
X	<b>Other Comprehensive Income</b>			
	<b>Items that will not be reclassified to profit or loss</b>			
	Re-measurement gains (losses) on defined benefit plans		(3.44)	(1.38)
	Income tax effect on above		1.19	0.48
XI	<b>Total Comprehensive Income for the year</b>		<b>215.77</b>	<b>23.93</b>
XII	<b>Earnings per share (in ₹)</b>	53		
	Basic		9.32	1.07
	Diluted		9.24	1.07
	<b>Significant Accounting Policies</b>	1		
	<b>Notes referred to above are an integral part of the financial statements</b>	2-62		

**AUDITOR'S REPORT:**

In terms of our report of even date annexed hereto.

 For **LODHA & CO.**  
Chartered Accountants

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

For and on behalf of the Board of Directors :

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**N.K. LODHA**  
Partner  
Membership No. 85155  
FRN 301051E

**SUNIL WAHAL**  
Partner  
Membership No. 87294  
FRN 000756N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

**PLACE:** New Delhi  
**DATED:** 15th May, 2017

**JINDAL STAINLESS (HISAR) LIMITED**

Statement of Changes in Equity for the year ended 31st March, 2017

**EQUITY SHARE CAPITAL**

(₹ in Crore)

As at April 1, 2015	Changes in equity share capital during 2015-16	As at March 31, 2016	Changes in equity share capital during 2016-17	As at March 31, 2017
46.24*	-	46.24	0.95	47.19

\* Refer note no. 14B

**OTHER EQUITY**

(₹ in Crore)

Particulars	Equity Earnings component of compound financial instruments	Reserves and Surplus			Items of Other Comprehensive Income	Total
		Capital Reserve	Securities Premium Reserve	Retained Earnings	Re-measurement of the net defined benefit Plans (Net of Tax)	
<b>Balance as at 1st April, 2015 (Refer Note No. 58)</b>	-	0.05	538.89	12.18	-	551.12
Profit for the year 2015-16				24.83		24.83
Issued during the year (refer note 37)	25.00					25.00
Re-measurements of the net defined benefit Plans					(0.90)	(0.90)
<b>Balance as at 31st March, 2016</b>	<b>25.00</b>	<b>0.05</b>	<b>538.89</b>	<b>37.01</b>	<b>(0.90)</b>	<b>600.05</b>
Profit for the year 2016-17				218.02		218.02
Addition/ (Transfer) #	(25.00)		24.05			(0.95)
Re-measurements of the net defined benefit Plans					(2.25)	(2.25)
<b>Balance as at 31st March, 2017</b>	<b>-</b>	<b>0.05</b>	<b>562.94</b>	<b>255.03</b>	<b>(3.15)</b>	<b>814.87</b>

# Conversion of CCW's in equity Shares (Refer Note No.37)

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Chartered Accountants

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Chartered Accountants

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 Partner  
Membership No. 85155  
FRN 301051E

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 Partner  
Membership No. 87294  
FRN 000756N

**ANKUR AGRAWAL**

Chief Financial Officer

**BHARTENDU HARIT**

Company Secretary

PLACE: New Delhi

DATED: 15th May, 2017

**JINDAL STAINLESS (HISAR) LIMITED**

Cash Flow Statement for the year ended 31st March, 2017

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>A. Cash Inflow / (Outflow) from Operating Activities</b>		
<b>Net Profit/(Loss) Before Tax and after exceptional items</b>	<b>325.85</b>	<b>30.11</b>
Adjustment for:		
Add/(Less)		
Depreciation/Amortisation	265.24	285.00
Provision for Doubtful Debts & Advance / Bad Debts (Net)	40.18	17.39
Liability Written Back	-	(23.32)
Mine Development Expenditure Written Off	-	1.93
Effect of Unrealised Foreign Exchange (Gain)/Loss	(36.45)	1.92
MTM (Gain)/Loss	(3.54)	3.17
Finance Cost	411.93	469.40
Interest Income	(55.92)	(22.65)
Re-measurements of the net defined benefit Plans	(3.44)	(1.38)
(Profit) / Loss on Sale/Discard of Property, Plant & Equipment (Net)	1.62	0.33
<b>Operating Profit Before Working Capital Changes</b>	<b>945.47</b>	<b>761.90</b>
Adjustment for:		
(Increase) / Decrease in Inventories	(456.53)	173.76
(Increase) / Decrease in Trade Receivables	(336.10)	119.31
(Increase) / Decrease in Loans & Advances and Other Assets	(257.58)	264.87
Increase / (Decrease) in Liabilities and Provisions	798.48	(471.56)
<b>Cash Inflow from Operating Activities</b>	<b>693.74</b>	<b>848.28</b>
Income Tax (Advance) / Refund (Net)	(37.42)	(4.10)
<b>Net Cash Inflow from Operating Activities</b>	<b>656.32</b>	<b>844.18</b>
<b>B. Cash Inflow / (Outflow) from Investing Activities</b>		
Amount paid in terms of Composite Scheme of Arrangement	(1,415.07)	(1,184.93)
Loan given to related party	(282.07)	(154.81)
Capital Expenditure	(132.65)	(77.29)
Sales Proceeds of Property, Plant & Equipment Sold	3.95	7.04
Interest Received	33.91	22.52
Bank deposits not considered as cash & Cash equivalents	(0.66)	(0.38)
<b>Net Cash Outflow from Investing Activities</b>	<b>(1,792.59)</b>	<b>(1,387.85)</b>
<b>C. Cash Inflow / (Outflow) from Financing Activities</b>		
Interest and Finance Charges Paid	(410.03)	(469.86)
Proceeds from / (Repayment of) Long Term Borrowings (net)	1,364.10	1,183.54
Proceeds from / (Repayment of) Short Term Borrowings (net)	174.16	(182.12)
Issue of Compulsory Convertible Warrants	-	25.00
<b>Net Cash Inflow from Financing Activities</b>	<b>1,128.23</b>	<b>556.56</b>
<b>Net Changes in Cash &amp; Cash Equivalents</b>	<b>(8.04)</b>	<b>12.89</b>
<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<b>6.99</b>	<b>15.03</b>
<b>Cash &amp; Cash Equivalents (Opening Balance)</b>	<b>15.03</b>	<b>2.14</b>
<b>Net Changes in Cash &amp; Cash Equivalents</b>	<b>(8.04)</b>	<b>12.89</b>

**Notes :**

1) Cash and cash equivalents includes :-

Cash, Cheques and Stamps in hand

Balance with Banks

4.15 13.55

2.84 1.48

**6.99 15.03**

2) Increase in paid up Capital, in terms of the Composite Scheme of Arrangement, are cash neutral and as such not considered in this statement. (read with note no. 34)

3) Previous year's figures have been regrouped and rearranged wherever considered necessary.



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For **LODHA & CO.**  
Chartered Accountants

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

For and on behalf of the Board of Directors :

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Membership No. 85155  
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**SUNIL WAHAL**  
Partner  
Membership No. 87294  
FRN 000756N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

**PLACE:** New Delhi  
**DATED:** 15th May, 2017

**NOTE NO 1 : SIGNIFICANT ACCOUNTING POLICIES**
**Corporate and General Information**

Jindal Stainless (Hisar) Limited ("the Company") is domiciled and incorporated in India and its equity shares and GDR are listed at Bombay Stock Exchange/National Stock Exchange/ Luxembourg Stock Exchange respectively. The registered office is located at O. P. Jindal Marg & Contact Details Distt. : Hisar – 125005 Haryana.

The company is a leading manufacturer /producer of stainless steel flat products in Austenitic, Ferritic, Martensitic and Duplex grades. The product range includes Ferro Alloys, Stainless Steel Slabs and Blooms, Hot Rolled Coils, Plates, Cold Rolled Coils and specialty products such as razor blade steel, precision strips and coin blanks.

The financial statements of the company for the year 31st March 2017 were approved and authorized for issue by board of directors in their meeting held on 15th May 2017.

**Statement of compliance**

The financial statements are a general purpose financial statement which have been prepared in accordance with the Companies Act, Indian Accounting Standards and complies with other requirements of the law. Indian Accounting Standards (Ind AS) include equivalent to International Financial Reporting Standards (IFRS). Compliance with the Ind AS ensures that the financial statements and notes of the entity comply with International Financial Reporting Standards (IFRS).

**Basis of preparation**

Pursuant to MCA notification for applicability of IND AS, The Companies (Indian Accounting Standards) Rules, 2015 (as amended), the Company has adopted Ind AS for the financial year beginning from April 1, 2016 with April 1, 2015 as the date of transition.

These are the Company's first annual financial statements prepared complying in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rule 2015. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation of its opening IND AS Balance Sheet at April 1, 2015 and comparative period presented.

The company prepared financial statements for all periods up to 31st March 2016 in accordance with The Accounting Standards notified u/s 133 of The Companies Act 2013 (as amended) (read with Companies (Accounts) Rules 2015) ("Indian GAAP"). Indian GAAP is considered as the previous GAAP, under IND AS 101.

The reconciliation of effects of the transition from Indian GAAP to IND AS is disclosed in Note no.58 to these financial statements.

The financial statement has been prepared considering all IND AS as notified & made applicable by MCA for reporting date i.e. March 31, 2017.

The standalone financial statements provide comparative information in respect to the previous year (including Balance Sheet at the beginning on the transition date to IND AS).

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

**RECENT ACCOUNTING DEVELOPMENTS**
**Standards issued but not yet effective:**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' The amendments are applicable to the Company from April 1, 2017.

**Amendment to Ind AS 7:**

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

**SIGNIFICANT ACCOUNTING POLICIES**
**1. Basis of Measurement**

The standalone financial statements have been prepared on accrual basis and under a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Financial assets and liabilities except certain Investments, Loans and borrowings carried at amortized cost,
- Defined benefit plans – plan assets

The standalone financial statements are presented in Indian Rupees ('INR'), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Crore (except otherwise indicated).

## 2. Property, plant and equipment

- (i) Property, plant and equipment are stated at previous GAAP carrying value on transition to IND AS and considered that cost as deemed cost.
- (ii) **Depreciation:** Depreciation on Property, plant & equipment 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 certain Plant & Machinery and Electric Installation, depreciation is provided as per their useful lives assessed on the basis of technical evaluation by the external valuer, ranging from 20 to 40 years.
- (iii) **Component Accounting:** When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes there placed part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.
- (iv) Assets not owned by the Company are amortised over a period of ten years.
- (v) Lease Hold Assets are amortised over the period of lease.
- (vi) Classification of plant & machinery into continuous and non-continuous is made on the basis of technical assessment and depreciation is provided for accordingly.
- (vii) Expenditure during construction/erection period is included under Capital Work-in-Progress and is allocated to the respective fixed assets on completion of construction/erection.
- (viii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from derecognition are recognized in Statement of Profit and Loss in the year of occurrence.
- (ix) The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

## 3. Intangible assets:

Intangibles assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible Assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis normally over a period of 5 to 10 years, depending on their estimated useful lives.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangibles assets with indefinite useful lives (like goodwill, brands), if any are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. The change in useful life from indefinite to finite life if any, is made on prospective basis.

## 4. Research and development cost:

### Research Cost:

Revenue expenditure on research is expensed under the respective heads of accounts in the period in which it is incurred.

### Development Cost:

Development expenditure on new product is capitalized as intangible asset, if technical and commercial feasibility as per IND AS 38 demonstrated.

## 5. Inventories:

Inventories are stated at lower of cost and fair value (except scrap/ waste which are valued at net realizable value). Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and selling costs. The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Conversion cost includes direct material, labour and allocable material and manufacturing overhead based on normal operating capacity.

## 6. Cash and cash equivalents:

Cash and cash equivalents are financial assets. Cash and cash equivalents consist of cash and short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less at the time of purchase/investment and are carried at cost plus accrued interest if any.

## 7. Financial instruments:

A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as the company becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, for non-derivative financial instruments the settlement date is used for initial recognition or derecognition, while for derivatives the trade date is used. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

### (a) Financial assets:

Financial assets include trade receivable, cash and cash equivalents, derivative financial assets and also the equity / debt instruments held. Initially all financial assets are recognized at amortized cost or fair value through Other Comprehensive Income or fair value through Statement of Profit or Loss, depending on its business model for those financial assets and their contractual cash flow characteristics.

Subsequently, based on initial recognition/ classification, where assets are measured at fair value, gain and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income)

#### (i) Trade receivables:

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less expected credit loss/impairment allowances. Receivables that do not bear interest or bear below market interest rates and have an expected term of more than one year are discounted with the discount subsequently amortized to interest income over the term of the receivable.

Impairment is made on the expected credit losses, which are the present value of the cash deficits over the expected life of receivables. The estimated impairment losses are recognized in the Statement of Profit and Loss. Subsequent changes in assessment of impairment are recognized in the Statement of Profit and Loss as changes in estimates.

The company makes provision for expected credit loss against trade receivables based on the simplified approach (i.e. the loss allowance is measured as the amount equal to lifetime expected credit losses).

#### (ii) Loans & other financial assets

Loans and other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and other financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

#### (iii) Investment in equity shares:

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss for investments held for trading is recognized through Statement of Profit & Loss. The fair value gains or losses of all other equity securities are recognized in Other Comprehensive Income.

#### (iv) Investment in associates, joint venture and subsidiaries:

The Company's investment in subsidiaries, associates and joint venture are carried at cost except where impairment loss recognized.

### (b) Financial liabilities:

Financial liabilities such as loans and borrowings and other payables are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual terms of the instrument. Financial liabilities other than fair valued through profit and loss are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

The Company derecognizes a financial liability when its contractual obligations are settled or cancelled or expired.

#### Financial liabilities at fair value through profit or loss:

It includes financial liabilities held for trading and are designated as such at initial recognition. Financial liabilities are held for trading if they are incurred for the purpose of repurchasing in near term and also include Derivatives that are not part of an effective hedge accounting in accordance with IND AS 109, classified as "held for trading" and carried at fair value through profit or loss. Financial liabilities at fair value through profit or loss are measured at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

#### Financial liabilities measured at amortized cost

Post recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method ("EIR"). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.

**Loans and Borrowings**

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

**Financial guarantee contracts:**

As per IND AS -109 "Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the original or modified terms of a debt instrument."

**Initial recognition**

The date the company becomes a party to the irrevocable commitment is considered to be the date of initial recognition and financial guarantee contracts are recognized as liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

**Trade and other payables:**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. Trade accounts payable and other non-derivative financial liabilities are in general measured at amortized cost using the effective interest method. Finance charges, including premiums payable on redemption or settlement, are periodically accrued using the effective interest method and increase the liabilities' carrying amounts unless they have already been settled in the period in which they were incurred.

**Derivative financial instruments:**

The Company uses derivative financial instruments principally to manage its exposure to fluctuations in interest rates, foreign exchange rates and prices of raw materials arising from operating, financing and investing activities. Derivative financial instruments are classified as current or non-current assets /liabilities based on their maturity dates. Embedded derivatives are separated from the host contract and accounted for separately if they are not closely related to the host contract. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

**8. Business combinations under common control:**

Common control business combinations include transactions, such as transfer of subsidiaries or business, between entities within a group.

Business combinations involving entities or business under common control are for using the pooling of interest method.

Under pooling of interest method, the assets and liabilities of the combining entries are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves.

**9. Fair value measurement:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

· In the principal market for the asset or liability.

Or

· In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**10. Impairment of non-financial assets:**

At each reporting date, the company assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the Fair Value less cost to sell and the value in use: and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of cash generating unit's fair value less cost to sell and the value in use.

Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the company estimates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount of a non-financial asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of Profit and Loss.

Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount.

However, this increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for that non-financial asset or cash generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of Profit and Loss.

**11. Foreign currency transactions:****(i) Functional and Presentation Currency**

The functional and reporting currency of company is INR.

**(ii) Transaction and Balances**

Currency Transactions denominated in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in the net profit or loss for the period.

Non- Monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that give rise to the translation difference.

**12. Revenue recognition:**

- Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer and the amount of revenue can be measured reliably.
- Revenue from services is recognized when services are rendered.
- No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue is recognized net of applicable provisions for discounts and allowances.
- 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.
- Revenue is measured at the fair value (including excise duty) of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
- **Dividend income:**  
Dividend income is accounted for when the right to receive the same is established,
- **Interest income:**  
For all financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter



period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in statement of profit and loss.

### 13. Government Grant

- Government grants related to capital nature shall be recognized in the statement of profit and loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate.
- A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognized in profit or loss of the period in which it becomes receivable.

### 14. Employees Benefits:

#### (a) Short term employee Benefit:

All employees' benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

#### (b) Defined Contribution Plan:

Contributions to the Employees' Provident Fund, National Pension Scheme and Employee's State Insurance are recognized as Defined Contribution Plan and charged as expenses in the year in which the employees render the services.

#### (c) Defined Benefit Plan:

The Provident Fund (Funded), Leave Encashment and Gratuity are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods. Past Service cost is recognized in the statement of profit and loss in the period of plan amendment.

Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, gains and losses on curtailments and non-routine settlements
- Net interest income or expense

#### (d) Long term Employee Benefit:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

#### (e) Termination benefits:

Termination benefits are recognized as an expense in the period in which they are incurred.

The Company shall recognize a liability and expense for termination benefits at the earlier of the following dates:

- When the entity can no longer withdraw the offer of those benefits; and
- When the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

### 15. Borrowing costs:

- Borrowing costs that are specifically attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.
- For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.
- All other borrowing costs are recognized as expense in the period in which they are incurred.

### 16. Leases:

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

#### (a) Finance Lease

Finance Lease that transfer substantially all of the risks and benefits incidental to ownership, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's policy on borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

#### (b) Operating Lease

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. Payments/receipts under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

Leasehold lands are amortized over the period of lease.

### 17. Taxes on income:

#### (a) Current Tax:

- Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-Tax Act 1961 and based on the expected outcome of assessments / appeals.
- Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Deferred tax:

- Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.
- Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited to the statement of profit and loss, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

### 18. Provisions, Contingent liabilities, Contingent assets and Commitments:

#### (a) General

The Company recognizes provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events and it is probable that the Company will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation:
- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at the end of each reporting period.

#### (b) Other Litigation claims:

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

**(c) Onerous contracts:**

Provisions for onerous contracts are recorded in the statements of operations when it becomes known that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.

**19. Exceptional Items:**

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

**20. Earnings per share:**

Basic Earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the adjusted net profit for the year attributable to the equity shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

**21. Segment accounting:**

As the company's business falls within a primary business segment viz. " stainless steel".

**22. Financial statement classification**

Certain line items on the balance sheet and in the statement of Profit and Loss have been combined. These items are disclosed separately in the Notes to the financial statements.

In general the company classifies assets and liabilities as current when they are expected to be realized or settled within twelve months after the balance sheet date.

**23. Fair value measurement:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**24. Non-current assets held for sale and discontinued operations:**

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a complete sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Assets and liabilities classified as held for distribution are presented separately from other assets and liabilities in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of the Company that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinate plan to disclose of a separate major line of business or geographical area of operations

Or

- Is a subsidiary acquired exclusively with a view to resale.

An entity shall not depreciate ( or amortize) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

**25. Capital****Debt and equity instruments:**

Ordinary equity shares are classified as equity. Debt instruments are classified as either liability.

**26. Significant Accounting Judgments, Estimates and Assumptions:**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**(a) Income taxes :**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

**(b) Fair value measurement of financial instruments:**

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

**(c) Defined benefit plans:**

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

**(d) Contingencies:**

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

**2. Property, Plant and Equipment**

(₹ in Crore)

Particulars	Freehold land #	Buildings #	Plant and Equipment *	Furniture and Fixtures	Vehicles	Office Equipments and Computers	Total
<b>GROSS CARRYING AMOUNT</b>							
As at 1st April, 2015 \$	318.12	351.96	2,182.30	2.81	16.94	2.25	2,874.38
Additions	-	0.68	45.88	0.12	1.22	0.07	47.97
Disposal/Adjustments	-	3.22	18.08	-	0.20	0.01	21.51
As at 31st March, 2016	318.12	349.42	2,210.10	2.93	17.96	2.31	2,900.84
Additions	2.94	29.76	122.95	4.05	2.42	0.68	162.80
Disposal/Adjustments	-	-	20.88	0.97	0.15	0.90	22.90
As at 31st March, 2017	321.06	379.18	2,312.17	6.01	20.23	2.09	3,040.74
<b>ACCUMULATED DEPRECIATION</b>							
As at 1st April, 2015 \$	-	23.25	273.31	0.89	3.02	0.23	300.70
Charge for the period	-	23.25	258.85	0.38	2.25	0.13	284.86
Disposal/Adjustments	-	0.11	13.97	-	0.06	-	14.14
As at 31st March, 2016	-	46.39	518.19	1.27	5.21	0.36	571.42
Charge for the period	-	23.44	238.35	0.54	2.29	0.19	264.81
Disposal/Adjustments	-	-	16.85	0.36	0.10	0.02	17.33
As at 31st March, 2017	-	69.83	739.69	1.45	7.40	0.53	818.90
<b>NET CARRYING AMOUNT</b>							
As at 1st April, 2015 \$	318.12	328.71	1,908.99	1.92	13.92	2.02	2,573.68
As at 31st March, 2016	318.12	303.03	1,691.91	1.66	12.75	1.95	2,329.42
As at 31st March, 2017	321.06	309.35	1,572.48	4.56	12.83	1.56	2,221.84

**Notes:**

# Title deeds of Free Hold Land and Building amounting to ₹ 318.12 Crore and ₹ 3.24 Crore respectively are pending to be transfer in the name of the company. However, mutation of whole land at Hisar (other than 97 kanal of land amounting to ₹ 9.98 Crore) has been recorded by Land Revenue Department in the name of the Company. (Read with note no 34)

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

\* include ₹ 13.09 Crore pertaining to sub grade & tailing plant for which permission to operate has been granted by Odisha Government on 20th March 2017, subject to certain compliances which are in process.

**3. Goodwill and Intangible Assets**

(₹ in Crore)

Particulars	Software*	Goodwill**	Total
<b>GROSS CARRYING AMOUNT</b>			
As at 1st April, 2015	-	10.34	10.34
Additions	2.16	-	2.16
Disposal/Adjustments	-	-	-
As at 31st March, 2016	2.16	10.34	12.50
Additions	-	-	-
Disposal/Adjustments	-	-	-
As at 31st March, 2017	2.16	10.34	12.50
<b>ACCUMULATED AMORTIZATION</b>			
As at 1st April, 2015	-	-	-
Charge for the period	0.14	-	0.14
Disposal/Adjustments	-	-	-
As at 31st March, 2016	0.14	-	0.14
Charge for the period	0.43	-	0.43
Disposal/Adjustments	-	-	-
As at 31st March, 2017	0.57	-	0.57
<b>NET CARRYING AMOUNT</b>			
As at 1st April, 2015	-	10.34	10.34
As at 31st March, 2016	2.02	10.34	12.36
As at 31st March, 2017	1.59	10.34	11.93

\* Amortised in 5 Years

\*\* Goodwill was initially recognised and decided by the management to amortise over a period of two years, accordingly ₹10.34 Crore were amortised during the earlier year (2014-15). During the year 2016-17 life of goodwill has been reconsidered from definite to indefinite as per IND AS, accordingly the Goodwill has been restated at ₹10.34 Crore as at 1st April 2015. (Refer Note No. 54)



Note No.	Description	As at 31.03.2017			As at 31.03.2016			As at 01.04.2015		
		Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
4	<b>INVESTMENTS</b>									
A	<b>NON - CURRENT INVESTMENTS</b>									
	<b>LONG TERM INVESTMENTS - AT COST LESS PROVISION</b>									
	Equity Shares Fully Paid Up of Subsidiary Company - Trade Unquoted-At Cost									
	Jindal Stainless Steelway Limited @	1,40,61,667	10	25.81	1,40,61,667	10	25.81	1,40,61,667	10	25.81
	JSL Lifestyle Limited @ \$	2,09,11,676	10	24.61	2,09,11,676	10	24.61	2,09,11,676	10	24.61
	Green Delhi BQS Limited @	51,000	10	0.05	51,000	10	0.05	51,000	10	0.05
	JSL Media Limited	49,970	10	0.05	49,970	10	0.05	49,970	10	0.05
	JSL Logistics Limited (Wholly owned subsidiary)	50,000	10	0.05	50,000	10	0.05	50,000	10	0.05
	<b>TOTAL (A)</b>			<b>50.57</b>			<b>50.57</b>			<b>50.57</b>
B	<b>Equity Shares Fully Paid Up of Associate Company- At Cost</b>									
	Jindal Stainless Corporate Management Services Pvt. Limited-Unquoted	5,000	10	0.01	5,000	10	0.01			
	Jindal Stainless Limited - Quoted ( refer note no. 34 & 38 )	16,82,84,309	2	366.19						
	<b>TOTAL (B)</b>			<b>366.20</b>			<b>0.01</b>			<b>-</b>
C	<b>Equity Shares pending allotment-At Amortised Cost</b>									
	Jindal Stainless Limited (in terms of Composite Scheme of Arrangement refer note no. 34)			-			366.19			366.19
	<b>TOTAL (C)</b>			<b>-</b>			<b>366.19</b>			<b>366.19</b>
D	<b>Govt./Semi Govt. Securities - Non Trade - At Fair Value</b>									
	National Savings Certificate [₹ 11,000 (₹ 11,000)]*			0.00			0.00			0.01
	<b>TOTAL (D)</b>			<b>-</b>			<b>0.00</b>			<b>0.01</b>
	<b>TOTAL NON CURRENT INVESTMENTS</b>			<b>416.77</b>			<b>416.77</b>			<b>416.77</b>
	Total Non current investments			416.77			416.77			416.77
	Aggregate amount of quoted investments			366.19			-			-
	Aggregate market value of quoted investments			1,198.18			-			-
	Aggregate amount of unquoted investments			50.58			416.77			416.77

@ 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

\$ Pursuant to the scheme of amalgamation between JSL Architecture Limited (Transferor Company) with JSL lifestyle Limited (transferee company) become effective on 02nd December, 2015 w.e.f. appointed date i.e. 01st April, 2014. The transferee company, in consideration, has issue 76 fully paid up equity shares of ₹10 each for every 100 Equity Shares of ₹10 each held by the company in Transfere Company.

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
5	<b>NON CURRENT LOANS</b>			
	(Unsecured, Considered good unless otherwise stated)			
	Loans to Related Party	519.86	237.79	44.98
	<b>TOTAL - NON CURRENT LOANS</b>	<b>519.86</b>	<b>237.79</b>	<b>44.98</b>

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
6	<b>OTHER NON CURRENT FINANCIAL ASSETS</b>			
	Security Deposit	25.73	25.72	25.79
	[Net of Provision of ₹ 0.54 Crore (₹ 0.54 Crore) (₹ 0.54 Crore)]			
	Interest Receivable from Related Party	21.43	-	-
	<b>TOTAL - OTHER NON CURRENT FINANCIAL ASSETS</b>	<b>47.16</b>	<b>25.72</b>	<b>25.79</b>

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
7	<b>OTHER NON CURRENT ASSETS</b>			
	Capital Advances	8.67	4.99	1.91
	Other Advance	-	-	0.33
	Mines Development Expenses	-	-	8.83
	<b>TOTAL - OTHER NON CURRENT ASSETS</b>	<b>8.67</b>	<b>4.99</b>	<b>11.07</b>

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
8	<b>INVENTORIES</b>			
	(As taken, valued and certified by the Management)			
	(valued at lower of cost and net realizable value unless otherwise stated)			
	Raw Materials	526.52	269.36	281.05
	[Including material in Transit ₹ 265.10 Crore (₹ 92.84 Crore) (₹ 140.86 Crore)]			
	Work in Progress	338.37	294.80	338.75
	Finished Goods	556.33	390.90	539.29
	Trading Goods	-	0.35	0.35
	Store and Spares	92.91	106.35	110.24
	[Including material in Transit ₹ 8.87 Crore (₹ 9.48 Crore) (₹ 6.63 Crore)]			
	Scrap (at estimated realizable value)	25.74	21.59	26.53
	<b>TOTAL - INVENTORIES</b>	<b>1,539.87</b>	<b>1,083.35</b>	<b>1,296.21</b>

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
9	<b>TRADE RECEIVABLES</b>			
	<b>Unsecured</b>			
	Considered good*	1,088.54	774.51	923.41
	Doubtful	1.42	7.65	8.47
	Less : Provision/Allowance for doubtful receivable	1.42	7.65	8.47
	<b>TOTAL - TRADE RECEIVABLES</b>	<b>1,088.54</b>	<b>774.51</b>	<b>923.41</b>

\*The above includes receivables of ₹ 60.08 Crore (₹ 69.53 Crore) (₹ 112.57 Crore) due for more than 180 days.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>10</b>	<b>CASH AND CASH EQUIVALENTS</b>			
	Balances with Banks	2.84	1.48	0.05
	Cheques in hand/Money in Transit	4.05	13.46	1.95
	Cash in Hand	0.10	0.09	0.14
	Stamps in Hand [ ₹ 13,323 (₹36,000)(₹18,000)]	0.00	0.00	0.00
	Puja and Silver Coins [ ₹ 13,039 (₹ 11,000)(₹10,000)]	0.00	0.00	0.00
	<b>TOTAL - CASH AND CASH EQUIVALENTS</b>	<b>6.99</b>	<b>15.03</b>	<b>2.14</b>

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>11</b>	<b>OTHER BANK BALANCES</b>			
	Bank Deposits with original maturity of more than three month but less than 12 months *	1.04	0.38	-
	<b>TOTAL - OTHER BANKS BALANCES</b>	<b>1.04</b>	<b>0.38</b>	<b>-</b>

\* Under Lien with banks

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>12</b>	<b>OTHER CURRENT FINANCIAL ASSETS</b>			
	Interest Receivable	0.58	7.27	4.98
	Security Deposit	6.95	8.30	9.81
	Other Receivables * [Net of Provision of ₹ Nil (₹ 0.23 Crore) (₹ 0.23 Crore)]	66.09	50.43	46.58
	<b>TOTAL - OTHER CURRENT FINANCIAL ASSETS</b>	<b>73.62</b>	<b>66.00</b>	<b>61.37</b>

\* Includes Export Incentives etc.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>13</b>	<b>OTHER CURRENT ASSETS</b>			
	Advances to Vendors	76.04	50.53	59.47
	Advances to Related Party #	207.52	5.25	233.60
	Advance to Employees	0.15	0.30	0.46
	Mines Development Expenses	-	-	3.10
	Balance with Excise and Sale tax Authorities	43.36	39.44	79.25
	Unbilled Revenues	0.05	2.55	-
	Other Receivable *	7.07	5.33	4.99
	<b>TOTAL - OTHER CURRENT ASSETS</b>	<b>334.19</b>	<b>103.40</b>	<b>380.87</b>

\* includes prepaid Expenses etc.

# Includes ₹ Nil (₹ Nil) (₹ 226.72 Crore) receivable from Jindal Stainless Limited due to implementation of composite Scheme of Arrangement. (Refer note no. 34). Also includes ₹ 204.57 Crore (₹ Nil) (₹ Nil) receivable from Jindal Stainless Limited on current account.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>14</b>	<b>SHARE CAPITAL</b>			
<b>(A)</b>	<b>AUTHORISED</b>			
	240,000,000 (240,000,000)(250000) Equity Shares of ₹ 2/- each	48.00	48.00	0.05
	10,000,000 (10,000,000)(Nil) Preference Shares of ₹ 2/- each	2.00	2.00	-
		<b>50.00</b>	<b>50.00</b>	<b>0.05</b>
	<b>ISSUED, SUBSCRIBED AND PAID UP</b>			
	235,934,685 (231,185,445)(250000) Equity Shares of ₹ 2/- each (Refer note no 34 and 37)	47.19	46.24	-
<b>(B)</b>	<b>SHARE CAPITAL SUSPENSE ACCOUNT (Refer note no 34)</b>			
	Nil (Nil)(226375005) nos. Equity Shares of ₹ 2/-each fully paid up to be issued in terms of Composite Scheme of Arrangement	-	-	45.28
	Nil (Nil)(4810440) nos. 0.10% Cumulative Compulsory Convertible Preference Shares of ₹ 2/- each fully paid up to be issued in terms of Composite Scheme of Arrangement	-	-	0.96
	<b>TOTAL - SHARE CAPITAL</b>	<b>47.19</b>	<b>46.24</b>	<b>46.24</b>
<b>(a)</b>	<b>RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR</b>	<b>EQUITY SHARES</b>		
		<b>31.03.2017</b>	<b>31.03.2016</b>	<b>01.04.2015</b>
		<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
	Shares outstanding at the beginning of the Year (Face Value of ₹ 2/- each)	23,11,85,445		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 ₹ 2/- each) (Refer note no 34 and 37)	47,49,240	23,11,85,445	2,00,000
	Less : Cancellation of Equity Shares	-	-	2,50,000
	Shares outstanding at the end of the Year	<b>23,59,34,685</b>	23,11,85,445	-

**(b) 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 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 2017, 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.

**(c) EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER (Refer note no. 34)**

Name of the Shareholder		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
JSL Overseas Holding Limited	No. of Shares	2,77,00,000	2,77,00,000	-
	% holding	11.74%	11.98%	0.00%
JSL Overseas Limited	No. of Shares	2,65,60,440	2,65,60,440	-
	% holding	11.26%	11.49%	0.00%
Citigroup Global Markets Mauritius Private Ltd.	No. of Shares	66,19,232	1,19,04,232	-
	% holding	2.81%	5.15%	0.00%
ELM Park Fund Limited	No. of Shares	1,31,07,160	-	-
	% holding	5.56%	0.00%	0.00%
Jindal Stainless Limited *	No. of Shares	-	-	2,50,000
	% holding	0.00%	0.00%	100%

\* 1500 shares 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 Capital suspense account (Refer note no 34)

**14A Other Equity**

(₹ in Crore)

Particulars	Equity Earnings component of compound financial instruments	Reserves and Surplus			Items of Other Comprehensive Income	Total
		Capital Reserve	Securities Premium Reserve	Retained Earnings	Re-measurement of the net defined benefit Plans (Net of Tax)	
<b>Balance as at 1st April, 2015 (Refer Note No. 58)</b>	-	0.05	538.89	12.18	-	551.12
Profit for the year 2015-16				24.83		24.83
Issued during the year (refer note 37)	25.00					25.00
Re-measurements of the net defined benefit Plans					(0.90)	(0.90)
<b>Balance as at 31st March, 2016</b>	<b>25.00</b>	<b>0.05</b>	<b>538.89</b>	<b>37.01</b>	<b>(0.90)</b>	<b>600.05</b>
Profit for the year 2016-17				218.02		218.02
Addition/ (Transfer) #	(25.00)		24.05			(0.95)
Re-measurements of the net defined benefit Plans					(2.25)	(2.25)
<b>Balance as at 31st March, 2017</b>	<b>-</b>	<b>0.05</b>	<b>562.94</b>	<b>255.03</b>	<b>(3.15)</b>	<b>814.87</b>

# Conversion of CCW's in equity Shares (Refer Note No.37)

**Nature of Reserves**
**Capital Reserve:-** Represents on cancellation of share capital in terms of Composite Scheme of Arrangement

**Securities Premium Reserve :-** Represents the amount received in excess of par value of securities (Including amount recognised pursuant to Composite Scheme of Arrangement and Conversion of CCW refer Note No . 37). Premium on redemption of securities is accounted in security premium reserve available. Where security premium reserve is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium reserve.

**Other Comprehensive Income Reserve :-** Represents the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

(₹ in Crore)

Note No.	Description	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
		Non-Current	Current	Non-Current	Current	Non-Current	Current
<b>15</b>	<b>BORROWINGS</b>						
	<b>SECURED</b>						
(a)	<b>TERM LOANS FROM BANKS</b>						
	Rupee Term Loans	2,401.51	146.13	1,181.17	2.37	-	-
	<b>TOTAL-SECURED</b>	<b>2,401.51</b>	<b>146.13</b>	<b>1,181.17</b>	<b>2.37</b>	<b>-</b>	<b>-</b>
	<b>UNSECURED</b>						
(b)	Long Term Maturities of Finance Lease Obligations	-	-	-	-	-	1.85
	<b>TOTAL-UNSECURED</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.85</b>
	Less: Amount Disclosed under the head Other Current Liabilities		146.13		2.37		1.85
	<b>TOTAL - BORROWINGS</b>	<b>2,401.51</b>	<b>-</b>	<b>1,181.17</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Secured Borrowings**

(a) The Company has executed a Rupee Term Loan Agreement ("RTLA") dated March 23, 2016 of ₹ 2600.00 Crore ("Term Loan Facility") with a consortium of lenders. During the financial year, the Term Loan Facility was fully disbursed. The said Term Loan Facility from banks amounting to ₹ 2547.64 Crore (₹ 1183.54 Crore) are repayable in quarterly installments of ₹ 47.45 Crore each during 2017-18 (installment due on 1st April 2017 has been paid during the month of March 2017 to the extent of ₹ 43.67 Crore), ₹ 48.75 Crore each during 2018-19, ₹ 58.50 Crore each during 2019-20, ₹ 65.00 Crore each during 2020-21 and thereafter ₹ 71.50 Crore each from 2021-22 to 2026-27 (the excess amount paid of ₹ 0.46 Crore will be adjusted in last installment).

The Term Loan Facility is secured (charge created/to be created) by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present &amp; future and second pari-passu charge by way of hypothecation and/or pledge of current assets including finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable, etc both present and future. (Also read with Note no. 38).

Rupee term loan facility carries floating rate of interest linked with SBI base rate plus applicable spread of 165 bps. The lenders also have an option to link their effective rate of interest with their own bank's Base Rate and adjust the spread accordingly.

(₹ in Crore)

Note No.	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>16</b>	<b>LONG TERM PROVISIONS</b>			
	For Employee Benefits	8.88	4.10	5.57
	<b>TOTAL - LONG TERM PROVISIONS</b>	<b>8.88</b>	<b>4.10</b>	<b>5.57</b>

(₹ in Crore)

Note No.	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>17</b>	<b>DEFERRED TAX LIABILITY (NET)</b>			
(a)	<b>DEFERRED TAX LIABILITY</b>			
	Difference between book & tax depreciable Assets	112.01	105.37	90.42
	Other Temporary Differences	4.65	4.94	
	<b>Total Deferred Tax Liability</b>	<b>116.66</b>	<b>110.31</b>	<b>90.42</b>
(b)	<b>DEFERRED TAX ASSETS</b>			
	Disallowance under Income Tax Act	31.32	23.85	14.26
	Brought forward loss/Unabsorbed Depreciation	-	81.65	76.16
	<b>Total Deferred Tax Assets</b>	<b>31.32</b>	<b>105.50</b>	<b>90.42</b>
	<b>MAT Credit Entitlement</b>	<b>48.01</b>	<b>5.54</b>	<b>2.58</b>
	<b>NET DEFERRED TAX LIABILITY /(ASSETS)</b>	<b>37.33</b>	<b>(0.73)</b>	<b>(2.58)</b>



(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>18</b>	<b>CURRENT BORROWINGS</b>			
	<b>SECURED</b>			
(a)	Working Capital Facilities from Bank *	437.34	439.25	481.88
(b)	Buyer Credit in Foreign Currency - Against Working Capital *	404.75	232.35	371.84
	<b>TOTAL -CURRENT BORROWINGS</b>	<b>842.09</b>	<b>671.60</b>	<b>853.72</b>

**Secured Borrowings**

\* \*Working Capital Facilities of Jindal Stainless Limited ceased w.e.f. 22.02.2017 to have security on the assets transferred in pursuant to Composite Scheme of Arrangement (Read with note no 34).

\* includes the amount of ₹ Nil (₹ 70.63 Crore) (₹ 481.88 Crore) of working capital facilities and ₹ Nil (₹ 232.35 Crore) (₹ 371.84 Crore) of buyer credit has been allocated by Jindal Stainless Limited pursuant to Composite Scheme of Arrangement (read with note no 34) pending confirmation from the respective banks.

(a) Working Capital Facilities are secured (charge created/to be created) by first pari-passu charge by way of hypothecation and/or pledge of current assets including finished goods, raw material, work in progress, consumable stores and spares, book debts, bill receivable, etc both present and future and by way of second charge in respect of other moveable and immoveable properties, both present and future, of the Company. Working Capital Facility is repayable on demand. (Also read with Note no. 38)

(b) Buyer Credit Facility are secured (charge created/to be created) by first pari-passu charge by way of hypothecation and/or pledge of current assets including finished goods, raw material, work in progress, consumable stores and spares, book debts, bill receivable, etc both present and future and by way of second charge in respect of other moveable and immoveable properties, both present and future, of the Company. (Also read with Note no. 38)

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>19</b>	<b>TRADE PAYABLES</b>			
	Micro and Small Enterprises	2.66	1.76	2.04
	Trade Payables (including Acceptances)	1,477.90	842.15	1,316.33
	<b>TOTAL TRADE PAYABLES</b>	<b>1,480.56</b>	<b>843.91</b>	<b>1,318.37</b>

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

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Principal amount due outstanding	-	-	-
Interest due on (1) above and unpaid	-	-	-
Interest paid to the supplier	-	-	-
Payments made to the supplier beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding year	-	-	-

\* to the extent information available with the company.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>20</b>	<b>OTHER CURRENT FINANCIAL LIABILITIES</b>			
	Current maturities of Non-Current Borrowings	146.13	2.37	-
	Current maturities of Finance Lease Obligations	-	-	1.85
	Interest accrued	6.19	4.29	4.75
	Capital Payables	29.79	8.34	8.46
	Security Deposits	2.64	2.74	0.70
	Derivative financial liabilities	0.39	3.93	0.77
	Amount Payable in terms of Composite Scheme of Arrangement @	-	1,415.07	2,600.00
	Dues to employees	13.43	18.39	23.66
	Other Outstanding Financial Liabilities *	145.64	61.23	91.79
	<b>TOTAL - OTHER CURRENT FINANCIAL LIABILITIES</b>	<b>344.21</b>	<b>1,516.36</b>	<b>2,731.98</b>

@ Refer note no 34

\* Includes Provision for Expenses

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>21</b>	<b>OTHER CURRENT LIABILITIES</b>			
	Advance from Customers	44.11	39.23	47.23
	Other Outstanding Liabilities *	248.50	212.17	218.34
	<b>TOTAL - OTHER CURRENT LIABILITIES</b>	<b>292.61</b>	<b>251.40</b>	<b>265.57</b>

\* Includes Statutory Dues , provision for excise duty on closing stock, arbitration liability etc.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>22</b>	<b>CURRENT PROVISIONS</b>			
	For Employee Benefits	10.54	8.48	4.40
	<b>TOTAL - CURRENT PROVISIONS</b>	<b>10.54</b>	<b>8.48</b>	<b>4.40</b>

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>23</b>	<b>CURRENT TAX LIABILITIES (NET)</b>			
	Current Tax Liabilities (Net of Prepaid Tax of ₹ 42.89 Crore (₹ 5.47 Crore) (₹ 1.37 Crore))	31.23	0.07	1.21
	<b>TOTAL - CURRENT TAX LIABILITIES (NET)</b>	<b>31.23</b>	<b>0.07</b>	<b>1.21</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>24</b>	<b>REVENUE FROM OPERATIONS</b>		
(a)	<b>SALE OF PRODUCTS</b>		
	Finished Goods ( Net of Discount ₹ 69.84 Crore (₹ 49.94 Crore))	7,382.39	6,953.12
	Semi - Finished Goods	1.60	0.57
	Trading Goods	80.53	-
	Export Benefits	48.89	25.85
		<b>7,513.41</b>	<b>6,979.53</b>
(b)	<b>SALE OF SERVICES</b>		
	Job Charges Received	17.12	15.06
		<b>17.12</b>	<b>15.06</b>
(c)	<b>OTHER OPERATING REVENUE</b>		
	Sale of Gases / Slag	11.11	11.12
	Lease Rent / Operating & Maintenance Services	11.24	7.51
	Provision for Doubtful debts/advance reversed	9.50	0.74
	Miscellaneous Income	13.17	29.68
		<b>45.02</b>	<b>49.05</b>
	<b>TOTAL - REVENUE FROM OPERATIONS</b>	<b>7,575.55</b>	<b>7,043.64</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>25</b>	<b>OTHER INCOME</b>		
(a)	<b>INTEREST INCOME ON</b>		
	Loan & Advances	50.47	3.89
	Trade Receivable	5.45	18.77
		<b>55.92</b>	<b>22.66</b>
(b)	<b>OTHER NON-OPERATING INCOME (NET)</b>	4.78	2.16
	<b>TOTAL - OTHER INCOME</b>	<b>60.70</b>	<b>24.82</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>26</b>	<b>COST OF MATERIAL CONSUMED</b>		
	Raw Material Consumed	4,412.34	3,944.49
	<b>TOTAL - COST OF MATERIAL CONSUMED</b>	<b>4,412.34</b>	<b>3,944.49</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>27</b>	<b>PURCHASE OF TRADING GOODS</b>		
	Steel Scrap	81.24	-
	<b>TOTAL - PURCHASE OF TRADING GOODS</b>	<b>81.24</b>	<b>-</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>28</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS</b>		
	<b>OPENING STOCK</b>		
	Finished Goods	390.90	539.29
	Work in Progress	294.80	338.75
	Scrap	21.59	26.53
	Trading Goods	0.35	0.35
	<b>TOTAL OPENING STOCK</b>	<b>707.64</b>	<b>904.92</b>
	<b>Less : Transferred (Note no 34(1)(e))</b>	<b>-</b>	<b>38.78</b>
	<b>CLOSING STOCK</b>		
	Finished Goods	556.33	390.90
	Work in Progress	338.37	294.80
	Scrap	25.74	21.59
	Trading Goods	-	0.35
	<b>TOTAL CLOSING STOCK</b>	<b>920.44</b>	<b>707.64</b>
	Excise Duty on account of increase/(decrease) in Stock of Finished Products	9.82	(7.96)
	<b>TOTAL - CHANGES IN INVENTORIES</b>	<b>(202.98)</b>	<b>150.54</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>29</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	(read with note no 52)		
	Salaries, Wages, Bonus and Other Benefits	130.62	126.91
	Contribution to Provident and Other Funds	6.81	6.81
	Staff Welfare Expenses	7.18	6.48
	<b>TOTAL - EMPLOYEE BENEFITS EXPENSES</b>	<b>144.61</b>	<b>140.20</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>30</b>	<b>FINANCE COSTS</b>		
	Interest Expenses	387.63	451.89
	Other Borrowing Costs	24.30	17.51
	<b>TOTAL - FINANCE COSTS</b>	<b>411.93</b>	<b>469.40</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>31</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		
	Depreciation on Property, Plant and Equipments	264.81	284.86
	Amortization of Intangible assets	0.43	0.14
	<b>TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES</b>	<b>265.24</b>	<b>285.00</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>32</b>	<b>OTHER EXPENSES</b>		
(a)	<b>MANUFACTURING EXPENSES</b>		
	Consumption of Stores and Spare parts	424.73	415.87
	Power and Fuel	626.82	617.14
	Labour Processing & Transportation Charges	71.14	58.61
	Repairs to buildings	1.60	0.96
	Repairs to plant & machinery	19.74	18.31
	Job work expenses	146.46	25.26
	Other Manufacturing Expenses	12.57	28.45
		<b>1,303.06</b>	<b>1,164.60</b>
(b)	<b>ADMINISTRATIVE EXPENSES</b>		
	Insurance	7.69	8.26
	Rent	1.94	1.63
	Lease Rent	-	0.05
	Rates and Taxes	0.52	8.33
	Legal and Professional	36.03	22.06
	Postage, Telegram, Telex and Telephone	1.71	2.13
	Printing & Stationary	3.15	2.89
	Travelling & Conveyance	2.59	3.54
	Managerial Commission	13.42	0.61
	Director' Meeting Fees	0.13	0.04
	Vehicle Upkeep and Maintenance	4.59	5.00
	Auditor's Remuneration	0.38	0.71
	Donation	0.58	0.60
	Mine Development Expenditure w/off	-	1.93
	Loss (net) on sale/discard of Property, Plant and Equipment	1.62	0.33
	Miscellaneous Expenses	6.17	10.46
		<b>80.52</b>	<b>68.57</b>
(c)	<b>SELLING EXPENSES</b>		
	Freight & Forwarding Expenses	85.78	71.31
	Commission on Sales	24.75	20.51
	Other Selling Expenses	6.12	3.39
	Provision for Doubtful Debts / Advances	3.04	0.26
	Bad Debts	26.68	0.54
	Advertisement & Publicity	0.35	0.68
		<b>146.72</b>	<b>96.69</b>
	<b>TOTAL - OTHER EXPENSES</b>	<b>1,530.30</b>	<b>1,329.86</b>
	Net (Gain) / Loss on Sale of Property, Plant and Equipment includes :		
	Gain on Sale	(0.03)	(0.74)
	Loss on Sale	0.02	0.06
	Loss on Discard	1.63	1.01
		<b>1.62</b>	<b>0.33</b>

33.

(₹ In Crore)

A. Contingent Liabilities not provided for in respect of :	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Guarantees given by the Company's Bankers on behalf of the Company	11.11	5.85	5.73
(b) Guarantees given by the Company's Bankers on behalf of the Subsidiary	5.60	71.80	5.88
(c) Letter of Credit outstanding	344.38	266.85	488.52
(d) Bills discounted with Banks	271.71	209.33	424.71
(e) (i) Sale Tax demands against which Company preferred appeals.	0.03	0.03	0.03
(ii) Excise Duty/Custom/Service Tax/Cess/Royalty Show Cause Notices/ Demands against which Company has preferred appeals.	75.83	78.04	86.77
(iii) Claims and other liabilities against the Company not acknowledged as debt.	47.93	55.89	78.11
<b>B. Guarantee given to custom authorities for import under EPCG Scheme. {Custom duty saved as on 31st March, 2017 ₹ 5.80 Crore (as on 31.03.2016 ₹ Nil)(as on 01.04.2015 ₹ 4.35 Crore)}</b>	<b>33.81</b>	-	24.57
<b>C. Letter of Comfort to banks against credit facilities/ financial assistance availed by subsidiaries.</b>	<b>103.41</b>	137.18	196.46
<b>D. Corporate Guarantee given to banks against Credit facilities / Financial assistance availed by Jindal Stainless Limited.</b>	<b>5,194.27</b>	9,929.92	-

(Read with note no 34)

**34. Composite Scheme of Arrangement**

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.

Pursuant to the Section I and Section II of the Scheme becoming effective on 1st November, 2015 w.e.f. appointed date i.e. close of business hours before midnight of March 31, 2014:

- During the year, against amount of ₹ 366.19 Crore appearing as on 31st March, 2016 under head 'Equity Shares Pending Allotment. JSL has allotted 16,82,84,309 no. of fully paid up equity shares of ₹ 2/- each @ ₹ 21.76 per share (including premium of ₹ 19.76 per share) on 3rd July 2016.
- During the year, ₹ 2600 Crore payable to JSL has been fully paid off.
- In terms of the Scheme, all the business and activities of Demerged Undertakings and Business Undertaking 1 (as referred in the Scheme) carried on by JSL on and after the appointed date, as stated above till 1st November, 2015, are deemed to have been carried on behalf of the Company.
- 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.
- While according its approval for transfer/right to use of the land, Government of Odisha, Department of steel & mines vide letter dated 16th August 2016, had put a condition that Section I & II of the Scheme will not be carried out in so far as the mining lease of the Company is concerned; accordingly transfer to the Mining Rights to Demerged Undertaking (as referred in the Scheme) (Demerged undertaking transferred to Company) is not been given effect, consequently:- (i) all mining activities in relation to the Mining Rights continue to be carried out by the JSL; and (ii) all assets (excluding fixed assets) and liabilities (including contingent liabilities) in relation to the Mining Rights continue to be recorded in the books of JSL; and (iii) all revenue and net profit; post 1st November 2015 on section I & II of the scheme becoming effective are recorded in the books of JSL.

35. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ **57.72 Crore** (as on 31.03.2016 ₹ 40.62 Crore) (as on 01.04.2015 ₹ 23.91 Crore).

36. (a) Exceptional items includes Gain/ (Loss) (net) of ₹ **45.27 Crore** {₹(36.63 Crore)} on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of ₹ **3.54 Crore** {₹(3.17 Crore)} upon marked to market of derivatives contracts, gain/(loss) of ₹ **(1.56 Crore)** {Gain ₹13.24 Crore} on forward cover cancellation.



- (b) Exceptional items includes amount written off/ provided for of ₹ Nil (₹ 18.40 Crore) (including provision of ₹ 0.33 Crore) being non recoverable from certain parties.
- (c) Exceptional items includes ₹ **10.26 Crore** (₹ Nil) on account of written off of interest receivable up to 31st March 2016 on loans to two Subsidiary companies.
- (d) Exceptional items includes ₹ **18.98 Crore** (₹ Nil) on account of provision against FSA charges for earlier periods provided in view of the decision of Hon'ble Supreme Court.
37. On 30th March, 2016, the Company has issued and allotted 12,50,00,000 number Compulsory Convertible Warrants (CCW) of ₹ 2/- each to promoter group entities on preferential basis for the purpose to infuse funds by promoters in terms of sanction letter dated 23rd November, 2015 by State Bank of India.
- During the year against the stated CCW, the Company has allotted 47,49,240 Nos. fully paid up equity shares of ₹ 2/- each @ ₹ 52.64 per share (including premium of ₹ 50.64 per share) on 2nd September, 2016. The amount raised has been used for the purpose for which the funds were raised.
38. The Term Loan Facility and Working Capital Facility (including Buyers' Credit) of the Company are/will also be secured by the following additional securities:
- Unconditional & irrevocable personal guarantee of Mr. Ratan Jindal;
  - Unconditional & irrevocable corporate guarantee of Jindal Stainless limited (JSL);
  - Pledge of 87.7% of Promoter's shareholding, as determined on the basis of the filings of the Borrower with the Securities Exchange Board of India (SEBI);
  - Pledge of 2, 06, 98,970 shares of JSL (out of 16, 82, 84,309 shares) held by the Company in favour of lenders of the Company. For balance 14,75,85,339 shares, a Non-Disposal Undertaking (NDU) has been given in favour of lenders of JSL, pending full implementation of asset monetization plan approved by the empowered group of corporate debt restructuring lenders of JSL vide their letter dated December 26, 2014.
  - Pledge over investments of the Company in subsidiaries as listed below:
    - JSL Lifestyle Limited; and
    - JSL Logistics Limited
  - Certain conditions, modification and creation of security of the Term Loan Facility and Working Capital Facility (including Buyers' Credit) are in process of compliance / confirmation.
39. Research and Development expenses for the year amounting to ₹ **4.21 Crore** (₹ 1.54 Crore) on account of revenue expenditure charged/debited to respective heads of accounts and ₹ **0.05 Crore** (₹ Nil) on account of Capital expenditure debited to Property, Plant and Equipment.
40. (a) Advance recoverable in cash or in kind or for value to be received includes Interest free loan to employees amounting to ₹ **0.01 Crore** (as on 31.03.2016 ₹ 0.0053 Crore)(as on 01.04.2015 ₹0.15 Crore) in the ordinary course of business and as per employee service rules of the Company. Maximum balance outstanding during the year is ₹ **0.01 Crore** (as on 31.03.2016 ₹ 0.26 Crore).
- (b) Pursuant to regulation 34 (3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, Loans and Advances in the nature of Loans to Related parties:

(₹ In Crore)

Name of the Company	Amount Outstanding			Maximum balance outstanding	
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015	For the year ended 31.03.2017	For the year ended 31.03.2016
JSL Lifestyle Limited	12.26	12.26	-	12.26	12.26
Green Delhi BQS Limited	21.39	30.57	-	30.57	30.57
JSL Media Limited	1.21	2.29	-	2.29	2.29
Jindal Stainless Limited #	485.00	192.66	-	485.00	192.66

# For the purpose of Cash Flow Support.

- (c) Details of Loans given, investment made and guarantees given, covered U/S 186 (4) of the Companies Act, 2013:-
- Loans given and investment made are given under respective heads.
  - Corporate guarantee given by the Company on behalf of parties covered u/s 186(4), details of which is given in related party transaction refer note no 34 A(b),D and Note no 38 & 51.
41. (a) Certain balances of trade receivable, loan & advance, trade payable and other liabilities are subject to confirmation and/or reconciliation.
- (b) The Company has given inter corporate deposit to its two subsidiary companies namely Green Delhi BQS Limited & JSL Media Limited, amounting to ₹**22.60 Crore** (as on 31.03.2016 ₹ 32.86 Crore) (as on 01.04.2015 ₹ 44.99 Crore) (also investment of ₹**0.10 Crore** (as on 31.03.2016 ₹ 0.10 Crore) (as on 01.04.2015 ₹ 0.10 Crore) where the subsidiary companies has accumulated losses/negative net worth. In view of the long term involvement of the Company and future prospects, in the opinion of the management, these are good and realizable hence no provision has been considered necessary.

42. The Company had challenged the legality of LADT Act / Entry Tax Act in the state of Haryana in the Hon'ble Punjab and Haryana High Court / Supreme Court of India. On 16.04.2010, the Entry tax matters of the states had been referred to larger 9-judges Constitutional Bench of the Supreme Court of India. The 9 judges bench while holding the constitutional validity of entry tax, has, vide its Order dated 11th November 2016, referred the same to divisional/ regular benches for testing and determination of the Article 304 (a) of the Constitution vis a vis state legislation and levy of entry tax on goods entering the landmass of India from another country.

The Company has been making necessary provisions in this regard. Interest/ penalty if any, will be accounted for as and when this is finally settled/ determined by the Regular Benches hearing the matters, Where the appropriate proceedings are continuing.

#### 43. 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 present value if minimum lease payments and a liability is created for an equivalent amount.

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

(₹ In Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Lease Interest	-	0.09

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 breakups of total minimum lease payments under finance lease are as follows:

(₹ In Crore)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Not later than one year	-	-	1.85
Later than one year and not later than five years	-	-	-
Later than five years	-	-	-

44. Amount spent towards Corporate Social Responsibility as per the provisions of section 135 of Companies Act, 2013 for the year amounting to ₹ **0.67 Crore** (₹ Nil).

#### 45. Financial Risk Management

##### 45.1 Financial Risk Factors

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan, Investment, trade receivables, other receivables, cash and short-term deposits that arise directly from its operations. The Company also enters into derivative transactions. The Company's activities expose it to a variety of financial risks:

##### (i) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at March 31, 2017 and March 31, 2016 and April 1, 2015.

##### (ii) Credit Risk

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

##### (iii) Liquidity Risk

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

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes.

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

##### (i) Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the

assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

**Foreign Exchange Risk and Sensitivity**

An Exposure can be defined as a Contracted Cash Flow (Trade Receivable, Trade Payable, loan, purchase order placed or sales order received) denominated in a currency other than Indian Rupees. The Company may have foreign currency exposure on account of the following items:

Exposure against Working capital –

- (i) Export Trade Receivables and export sales orders received;
- (ii) Imports Trade Payables and purchase orders raised;
- (iii) Buyer's credit against trade payables;
- (iv) Packing credit in foreign currency (PCFC);
- (v) Borrowings against FCNR(B) deposits of the banks;
- (vi) Advances from customers;
- (vii) Any other kind of foreign currency borrowings as permitted by RBI for financing working capital of the Company.
- (viii) Exposure against long term financing/relating to projects:
  - (i) Foreign Currency Borrowings for capital and project expansion;
  - (ii) Buyer's credit against capital goods;
  - (iii) Payments due against imported capital equipment for projects;
  - (iv) Purchase orders for capital expenditure;
  - (v) Any kind of foreign currency borrowing used for long term financing requirements of the Company.

**Derivatives Financial Instruments**

Derivative contracts entered into by the Company and outstanding as on 31st March, 2017 for hedging currency risks:

As at 31st March, 2017

(₹ In Crore)

Nature of Derivative	As at 31.03.2017			
	Type	No. of Contracts	Foreign Currency (Million)	Amount
<b>Forward Covers</b>				
USD/INR	Sale	27	18.363	119.09
EURO/USD	Sale	37	32.374	223.72
USD/INR	Buy	186	84.017	544.81

As at 31st March, 2016

(₹ In Crore)

Nature of Derivative	As at 31.03.2016			
	Type	No. of Contracts	Foreign Currency (Million)	Amount
<b>Forward Covers</b>				
USD/INR	Sale	40	42.300	280.28
EURO/USD	Sale	22	22.544	170.02
USD/INR	Buy	172	45.567	301.88

As at 1st April, 2015

(₹ In Crore)

Nature of Derivative	As at 01.04.2015			
	Type	No. of Contracts	Foreign Currency (Million)	Amount
<b>Forward Covers</b>				
USD/INR	Sale	50	80.332	502.11
EURO/USD	Sale	47	63.198	423.94
USD/INR	Buy	260	119.938	749.55

**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.

Foreign Currency exposures that are not hedged by derivative instruments or otherwise outstanding as on 31st March, 2017 is as under:

(₹ In Crore)

Nature	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Foreign Currency (Million)	Amount	Foreign Currency (Million)	Amount	Foreign Currency (Million)	Amount
<b>Account Receivable</b>						
USD	7.280	47.21	-	-	-	-
<b>Account Payable</b>						
USD	38.642	250.58	3.624	24.01	18.749	117.19
EURO	0.854	5.90	0.732	5.52	1.431	9.60
CAD	0.024	0.12	0.024	0.12	0.024	1.18
<b>Loans</b>						
USD	15.047	97.59	-	-	-	-

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

**Foreign exchange risk and sensitivity (UnHedged)**

(₹ In Crore)

Particulars	Change in currency exchange rate	31.03.2017	31.03.2016
		Effect on profit/ (loss) before tax	Effect on profit/ (loss) before tax
USD	+5%	(15.05)	(1.20)
	-5%	15.05	1.20
EURO	+5%	(0.29)	(0.28)
	-5%	0.29	0.28
CAD	+5%	(0.01)	(0.01)
	-5%	0.01	0.01

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

The Company transacts business primarily in Indian Rupee, USD, EURO and CAD. The Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value.

**Summary Of Exchange Difference Accounted In Statement Of Profit And Loss:**

(₹ In Crore)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Currency Fluctuations		
Net foreign exchange (gain) / losses shown as exceptional item	(47.25)	26.56
<b>TOTAL</b>	<b>(47.25)</b>	<b>26.56</b>

**Interest Rate Risk and Sensitivity**

The Company will have Interest rate exposure on all interest bearing financial assets and liabilities. These could be broadly categorized as under:

- (a) Interest bearing Trade Receivables and Trade Payables;
- (b) Working capital borrowings;
- (c) Long term borrowings.

All interest bearing assets and liabilities need to be captured, first based on the currency denomination e.g., INR, USD. Further classification needs to be done based on whether these are against floating rate benchmarks or fixed rate

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of borrowings and borrowings on which interest rate swaps are taken.

**For the Year ended 31 March, 2017** (₹ In Crore)

Particulars	Increase /Decrease in Basis Points	Effect on profit/ (Loss) before tax
INR Borrowings	+50	(14.44)
	-50	14.44
USD Borrowings	+50	(2.51)
	-50	2.51

**For the Year ended 31 March, 2016** (₹ In Crore)

Particulars	Increase /Decrease in Basis Points	Effect on profit/ (Loss) before tax
INR Borrowings	+50	(8.11)
	-50	8.11
USD Borrowings	+50	(1.16)
	-50	1.16

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

#### Price Risk and Sensitivity

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company enters into contracts for procurement of material, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

The Company is not facing any exposure to equity price risk as all of its equity investments are within the group and its associates.

#### (ii) Credit Risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

#### Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. Outstanding Trade receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

#### Financial Instruments and Cash Deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The bank balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

#### (iii) Liquidity Risk

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

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

The Company is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders, except where exemption is provided by lender.

**For the Year ended 31 March, 2017** (₹ In Crore)

Particulars	As at March 31, 2017				
	Carrying Amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	3,389.73	988.22	689.00	1,712.51	3,389.73
Other Financial liabilities	198.08	198.08	-	-	198.08
Trade payables	1,480.56	1,480.56	-	-	1,480.56
<b>Total</b>	<b>5,068.37</b>	<b>2,666.86</b>	<b>689.00</b>	<b>1,712.51</b>	<b>5,068.37</b>

\* Including Current Maturity.

**For the Year ended 31 March, 2016** (₹ In Crore)

Particulars	As at March 31, 2016				
	Carrying Amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	1,855.14	673.97	282.01	899.16	1,855.14
Other Financial liabilities	1,513.99	1,513.99	-	-	1,513.99
Trade payables	843.91	843.91	-	-	843.91
<b>Total</b>	<b>4,213.04</b>	<b>3,031.87</b>	<b>282.01</b>	<b>899.16</b>	<b>4,213.04</b>

\* Including Current Maturity.

**As at 1st April' 2015** (₹ In Crore)

Particulars	As at April 01, 2015				
	Carrying Amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	855.57	855.57	-	-	855.57
Other Financial liabilities	2,730.14	1,315.07	1,415.07	-	2,730.14
Trade payables	1,318.37	1,318.37	-	-	1,318.37
<b>Total</b>	<b>4,904.08</b>	<b>3,489.01</b>	<b>1,415.07</b>	<b>-</b>	<b>4,904.08</b>

\* Including Current Maturity.

**Unused Lines of Credit** (₹ In Crore)

Particulars	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
Secured	113.45	118.09	-
Unsecured	-	-	-
<b>Total</b>	<b>113.45</b>	<b>118.09</b>	<b>-</b>

#### Interest Rate and Currency of Borrowings

The below details do not necessarily represent foreign currency or interest rate exposure to the income statement, since the Company has taken derivatives for offsetting the foreign currency and interest rate exposure.

**For the year ended 31 March 2017**

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted average interest rate (%)
INR	2,887.40	2,887.40	-	11.02%
USD	502.33	502.33	-	1.96%
<b>Total</b>	<b>3,389.73</b>	<b>3,389.73</b>	<b>-</b>	



**For the Year ended 31 March 2016**

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted average interest rate (%)
INR	1622.79	1622.79	-	11.22%
USD	232.35	232.35	-	1.19%
<b>Total</b>	<b>1855.14</b>	<b>1855.14</b>	<b>-</b>	

**45.2 Competition and Price Risk**

The Company faces competition from domestic and international competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products and Trustworthy and innovative solution to meet the needs of its customers.

**45.3 Capital Risk Management**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, redeem or buy back capital to shareholders or issue new shares. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued capital, compulsorily convertible debentures, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits, excluding discontinued operations.

The Company monitors capital using gearing ratio, which is net debt divided by total capital.

**Gearing Ratio**

(₹ In Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Loans and borrowings	3,389.73	1,855.14	855.57
Less: cash and cash equivalents	6.99	15.03	2.14
<b>Net debt</b>	<b>3,382.74</b>	<b>1,840.11</b>	<b>853.43</b>
Total capital	862.06	646.29	597.36
<b>Capital and net debt</b>	<b>4,244.80</b>	<b>2,486.40</b>	<b>1,450.79</b>
<b>Gearing ratio</b>	<b>80%</b>	<b>74%</b>	<b>59%</b>

**46. Fair values of Financial Assets and Liabilities and Hierarchy**

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- (1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Company is considered to be insignificant in valuation.
- (3) The fair values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters, basis contractual terms, period to maturity, and market parameters such as interest rates, foreign exchange rates, and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgment, and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

**Fair Value Hierarchy**

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

Level 1- Quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2- Inputs other than quoted prices include within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3- Unobservable inputs for the asset or liability.

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies: -

(₹ In Crore)

Particulars	Note No.	Level	Carrying Amount / Fair Value			Valuation Techniques and Key Inputs
			As at 31st March, 2017	As at 31st March, 2016	As at April 1, 2015	
<b>Financial assets /Liabilities at fair value through amortised cost:</b>						
<b>(a) Financial assets</b>						
Loans	5	3	519.86	237.79	44.98	Discounted Cash Flow
Other financial assets	6 &12	3	120.78	91.72	87.15	Discounted cash flow
<b>(b) Financial Liabilities</b>						
Borrowings-Non Current	15	3	2,401.51	1,181.17	0.00	Discounted cash flow
Borrowings- Current	18	3	842.09	671.60	853.72	Discounted cash flow
Other financial liabilities	20	3	343.82	1,512.43	2731.21	Discounted cash flow
<b>Financial Liabilities at fair value through Statement of profit or loss:</b>						
Derivative Forward Contract	20	2	0.39	3.93	0.77	Forward foreign currency exchange rate

There were no significant changes in the classification and no significant movements between the fair value hierarchy of assets and liabilities during FY 2016-17.

**Fair Valuation of Financial Guarantees**

Financial guarantees issued by the company on behalf of Jindal Stainless Limited have been measured at fair value through profit and loss account. Fair value of said guarantees as at March 31, 2017, March 31, 2016 have been considered at nil as estimated by the management and an independent professional.

**47. Standards issued but not yet effective**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Company from April 1, 2017.

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

The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

**48. Information related to consolidated financials**

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

**49. Income Tax Reconciliation**
**Tax Expense**

(₹ In Crore)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Current tax	69.77	3.43
MAT Credit Entitlement	(42.47)	(2.95)
Deferred tax	80.53	4.80
Income Tax change/(credit) for earlier years	-	-
<b>Total</b>	<b>107.83</b>	<b>5.28</b>

**Effective Tax Reconciliation :**

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

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Net Income / (Loss) before taxes	325.85	30.11
Enacted tax rates	34.608%	34.608%
Computed tax Income/(expense)	112.77	10.42
Increase/(reduction) in taxes on account of:		
Additional allowance for tax purpose	(7.25)	-
Expenses not allowed for tax purpose	2.31	0.35
Deferred Tax recognized for earlier years	-	(5.49)
<b>Income tax expense reported</b>	<b>107.83</b>	<b>5.28</b>

**50. Segment Reporting**

As per IND AS 108 Operating Segment, segment information has been provided in notes to consolidated financial statements.

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

	Country of Incorporation	Ownership Interest		
		31st March, 2017	31st March, 2016	1st April, 2015
<b>(a) Subsidiary Companies :</b>				
1. Jindal Stainless Steelway Limited	INDIA	81.91%	81.91%	81.91%
2. JSL Lifestyle Limited	INDIA	73.37%	73.37%	73.37%
3. Green Delhi BQS Limited	INDIA	51.00%	51.00%	51.00%
4. JSL Media Limited	INDIA	99.94%	99.94%	99.94%
5. JSL Logistics Limited	INDIA	100.00%	100.00%	100.00%
<b>(b) Associates</b>				
1. Jindal Stainless Corporate Management Services Pvt. Ltd. ( w.e.f. 2.11.2015)	INDIA	50.00%	50.00%	0.00%
2. Jindal Stainless Limited ( w.e.f. 3.07.2016)	INDIA	42.13%	0.00%	0.00%
<b>(c) Subsidiaries, Associates and Joint Venture of Parties listed in a &amp; b above with whom transactions have taken place during the year and previous year</b>				
1. J S S Steel Italia Limited	INDIA			
2. Jindal Stainless UK Ltd. (w.e.f. 3.07.2016)	UK			
3. Jindal Stainless FZE (w.e.f. 3.07.2016)	UAE			
4. PT Jindal Stainless Indonesia (w.e.f. 3.07.2016)	Indonesia			
5. Iberjindal S.I. (w.e.f. 3.07.2016)	Spain			
<b>(d) Trust :</b>				
1. Jindal Stainless (Hisar) Limited Group Gratuity Fund				
2. Jindal Stainless (Hisar) Limited (Ferro alloys) Group Gratuity Scheme				
3. Jindal Stainless (Hisar) Limited EPF Trust				
4. Jindal Stainless (Hisar) Welfare Fund				
<b>(e) Key Management Personnel with whom transactions have taken place during the year and previous year:</b>				
1. Mr. Ratan Jindal		Chairman		
2. Mr. Ashok Kumar Gupta (w.e.f. 2.11.2015)		Whole Time Director and Manager		
3. Mr. Jagmohan Sood (w.e.f. 1.04.2016)		COO & Unit Head, Hisar Plant		
4. Mr. Ankur Agrawal (w.e.f. 2.11.2015)		Chief Financial Officer		
5. Mr. Bhartendu Harit (w.e.f. 3.11.2015)		Company Secretary		

**B. Transactions:**

(₹ in Crore)

Description	For the Year ended 31.03.2017			For the Year ended 31.03.2016		
	Subsidiary (a)	Associates & Other Parties (b, c & d)	Key Management Personnels(e)	Subsidiary (a)	Associates & Other Parties (b, c & d)	Key Management Personnels(e)
<b>Purchase of Goods</b>	<b>40.56</b>	<b>557.74</b>	-	<b>31.85</b>	<b>0.72</b>	-
Jindal Stainless Steelway Limited	29.17	-	-	23.09	-	-
JSL Lifestyle Limited	11.39	-	-	8.76	-	-
PT. Jindal Stainless Indonesia	-	11.87	-	-	-	-
J S S Steel Italia Limited	-	0.87	-	-	0.72	-
Jindal Stainless Limited	-	545.00	-	-	-	-
<b>Sale of Goods</b>	<b>623.13</b>	<b>478.12</b>	-	<b>660.04</b>	<b>74.96</b>	-
Jindal Stainless Steelway Limited	543.09	-	-	590.44	-	-
JSL Lifestyle Limited	80.04	-	-	69.60	-	-
PT. Jindal Stainless Indonesia	-	115.98	-	-	-	-
J S S Steel Italia Limited	-	18.76	-	-	74.96	-
Iberjindal S.I.	-	83.83	-	-	-	-
Jindal Stainless Limited	-	259.55	-	-	-	-
<b>Job Charges Received</b>	-	<b>9.20</b>	-	<b>1.12</b>	-	-
Jindal Stainless Steelway Limited	-	-	-	1.12	-	-
Jindal Stainless Limited	-	9.20	-	-	-	-
<b>Job Work Charges Paid</b>	<b>11.32</b>	<b>77.07</b>	-	<b>10.54</b>	-	-
Jindal Stainless Steelway Limited	10.93	-	-	10.02	-	-
Jindal Stainless Limited	-	77.07	-	-	-	-
Others	0.39	-	-	0.52	-	-
<b>Rent Received</b>	<b>1.22</b>	<b>0.52</b>	-	<b>3.49</b>	-	-
Jindal Stainless Steelway Limited	1.22	-	-	3.49	-	-
Jindal Stainless Limited	-	0.52	-	-	-	-
<b>Rent Paid</b>	<b>0.07</b>	<b>0.50</b>	-	<b>0.10</b>	-	-
Jindal Stainless Steelway Limited	0.07	-	-	0.10	-	-
Jindal Stainless Limited	-	0.50	-	-	-	-
<b>Commission on Sale Paid</b>	-	<b>1.70</b>	-	-	-	-
Jindal Stainless FZE, Dubai	-	1.47	-	-	-	-
Jindal Stainless UK Ltd.	-	0.23	-	-	-	-

(₹ in Crore)

Description	For the Year ended 31.03.2017			For the Year ended 31.03.2016		
	Subsidiary (a)	Associates & Other Parties (b, c & d)	Key Management Personnels(e)	Subsidiary (a)	Associates & Other Parties (b, c & d)	Key Management Personnels(e)
<b>Receiving of Services (Remuneration paid)</b>	-	-	<b>17.76</b>	-	-	<b>1.73</b>
Mr. Ratan Jindal (commission)	-	-	13.42	-	-	0.61
Mr. Ashok Kumar Gupta	-	-	2.53	-	-	0.82
Mr. Jagmohan Sood	-	-	0.95	-	-	-
Mr. Ankur Agrawal	-	-	0.64	-	-	0.22
Mr. Bhartendu Harit	-	-	0.22	-	-	0.07
<b>Interest Received</b>	<b>1.29</b>	<b>43.70</b>	-	<b>4.90</b>	-	-
JSL Lifestyle Limited	1.29	-	-	4.75	-	-
Green Delhi BQS Limited *	-	-	-	-	-	-
Jindal Stainless Limited	-	43.70	-	-	-	-
JSL Media Limited#	-	-	-	0.15	-	-
<b>Inter-Corporate Loan Write-off</b>	<b>10.26</b>	-	-	-	-	-
Green Delhi BQS Limited	9.18	-	-	-	-	-
JSL Media Limited	1.08	-	-	-	-	-
<b>Lease Interest Paid</b>	-	-	-	<b>0.09</b>	-	-
Jindal Stainless Steelway Limited	-	-	-	0.09	-	-
<b>Consultancy Charges Paid</b>	-	<b>28.05</b>	-	-	<b>8.96</b>	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	28.05	-	-	8.96	-
<b>Operating &amp; Maintenance Services Charged</b>	<b>11.01</b>	-	-	<b>5.08</b>	-	-
Jindal Stainless Steelway Limited	11.01	-	-	5.08	-	-
<b>Sharing of Exp. Reimbursed/to be Reimbursed</b>	<b>0.00</b>	<b>2.18</b>	-	<b>0.58</b>	-	-
Jindal Stainless Steelway Limited	0.00	-	-	0.58	-	-
Jindal Stainless Limited	-	2.12	-	-	-	-
Others	-	0.06	-	0.00	-	-
<b>Sharing of Exp Recovered/to be Recovered</b>	-	<b>0.64</b>	-	<b>1.07</b>	<b>0.42</b>	-
JSL Lifestyle Limited	-	-	-	0.92	-	-
Jindal Stainless Steelway Limited	-	-	-	0.15	-	-
PT. Jindal Stainless Indonesia	-	0.16	-	-	-	-
Jindal Stainless Limited	-	0.42	-	-	-	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	0.06	-	-	0.42	-



(₹ in Crore)

Description	For the Year ended 31.03.2017			For the Year ended 31.03.2016		
	Subsidiary	Associates	Key Management Personnels	Subsidiary	Associates	Key Management Personnels
<b>Loans &amp; Advances Given</b>	-	<b>292.34</b>	-	-	-	-
Jindal Stainless Limited	-	292.34	-	-	-	-
<b>Contribution Towards Trusts</b>	-	<b>19.63</b>	-	-	<b>20.44</b>	-
Jindal Stainless (Hisar) Limited Group Gratuity Fund	-	0.28	-	-	-	-
Jindal Stainless (Hisar) Limited (Ferro alloys) Group Gratuity Scheme	-	0.02	-	-	0.30	-
Jindal Stainless (Hisar) Limited EPF Trust	-	18.70	-	-	19.46	-
Jindal Stainless (Hisar) Welfare Fund	-	0.62	-	-	0.69	-

Description	As at 31.03.2017			As at 31.03.2016			As at 01.04.2015		
	Subsidiary	Associates	Key Management Personnels	Subsidiary	Associates	Key Management Personnels	Subsidiary	Associates	Key Management Personnels
<b>Outstanding Balance</b>									
<b>Letter of Comfort Given</b>	<b>103.41</b>	-	-	<b>137.18</b>	-	-	<b>196.46</b>	-	-
Jindal Stainless Steelway Limited	88.27	-	-	108.96	-	-	180.81	-	-
JSL Lifestyle Limited	15.14	-	-	28.22	-	-	15.65	-	-
<b>Guarantee/Counter Guarantee Given</b>	<b>5.60</b>	<b>5,194.27</b>	-	<b>71.80</b>	-	-	<b>5.88</b>	-	-
Jindal Stainless Steelway Limited	5.60	-	-	71.80	-	-	5.88	-	-
Jindal Stainless Limited	-	5,194.27	-	-	-	-	-	-	-
<b>Loans &amp; Advances</b>	<b>37.81</b>	<b>711.00</b>	-	<b>50.37</b>	-	-	<b>55.30</b>	-	-
JSL Media #	1.21	-	-	2.29	-	-	5.59	-	-
JSL Lifestyle Limited **	15.20	-	-	17.50	-	-	17.18	-	-
Green Delhi BQS Limited *	21.39	-	-	30.57	-	-	30.58	-	-
Jindal Stainless Limited @	-	711.00	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	1.96	-	-
<b>Receivables</b>	<b>199.02</b>	<b>288.19</b>	-	<b>146.76</b>	<b>14.07</b>	-	<b>153.14</b>	<b>14.77</b>	-
Jindal Stainless Steelway Limited \$	98.89	-	-	77.53	-	-	104.47	-	-
JSL Lifestyle Limited \$	96.70	-	-	65.80	-	-	48.67	-	-
J S S Steel Italia Limited	-	17.11	-	-	14.07	-	-	14.77	-
PT. Jindal Stainless Indonesia	-	91.08	-	-	-	-	-	-	-
Iberjindal S.I.	-	31.91	-	-	-	-	-	-	-
Jindal Stainless Limited	-	148.09	-	-	-	-	-	-	-
Others	3.44	-	-	3.44	-	-	0.01	-	-
<b>Payables</b>	<b>12.09</b>	<b>6.18</b>	-	<b>5.71</b>	<b>5.06</b>	-	<b>2.59</b>	<b>0.13</b>	-
Jindal Stainless Steelway Limited	6.10	-	-	3.80	-	-	2.23	-	-
JSL Lifestyle Limited	5.99	-	-	1.91	-	-	0.36	-	-

Description	As at 31.03.2017			As at 31.03.2016			As at 01.04.2015		
	Subsidiary	Associates	Key Management Personnels	Subsidiary	Associates	Key Management Personnels	Subsidiary	Associates	Key Management Personnels
Jindal Stainless Corporate Management Services Pvt. Ltd	-	4.37	-	-	4.50	-	-	-	-
PT. Jindal Stainless Indonesia	-	-	-	-	-	-	-	-	-
J S S Steel Italia Limited	-	-	-	-	0.56	-	-	0.13	-
Others	-	1.81	-	-	-	-	-	-	-
<b>Remuneration payable</b>	-	-	<b>14.06</b>	-	-	<b>0.69</b>	-	-	-
Mr. Ratan Jindal	-	-	13.42	-	-	0.61	-	-	-
Mr. Ashok Kumar Gupta	-	-	0.45	-	-	0.06	-	-	-
Mr. Jagmohan Sood	-	-	0.09	-	-	-	-	-	-
Mr. Ankur Agrawal	-	-	0.07	-	-	0.01	-	-	-
Mr. Bhartendu Harit	-	-	0.02	-	-	0.00	-	-	-

**Note :-** Above to be read with note no. 33(D)

# On the request of a 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 ₹ **0.15 Crore**.

\* On the request of a 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 ₹ **2.25 Crore** (₹ 2.25 Crore).

\$ On the request of two subsidiary companies, Interest on overdue receivables against supplies has been waived off for the current financial year.

\*\* Includes loan of ₹ **12.26 Crore** (₹ 12.26 Crore).

@ Includes Intercompany Deposits Amounting to ₹ 485 Crore (₹ 192.66 Crore) which is repayable in one or more instalment by 31st March, 2023, or such other terms as may be mutually agreed between the Company and Jindal Stainless Limited and interest thereon is payable on half yearly basis commencing from September 2018 (i.e. after further moratorium of 2 years as mutually agreed).

**Compensation to key management personnel**

(₹ in Crore)

Particulars	FY 2016-17	FY 2015-16
Short-term employee benefits*	17.76	1.73
<b>Total Compensation to key management personnel</b>	<b>17.76</b>	<b>1.73</b>

\*\* As the future liability for gratuity & leave encashment is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above."

**52. Retirement benefit obligations**
**Expenses recognised for Defined Contribution Plans**

(₹ in Crore)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Company's contribution to provident fund	<b>3.07</b>	3.10
Company's contribution to ESI	<b>0.23</b>	0.13
Company's contribution to NPS	<b>0.18</b>	-
<b>Total</b>	<b>3.49</b>	<b>3.23</b>

**Expenses recognised for Defined Benefit Plans**

(₹ in Crore)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Company's contribution to provident fund	<b>2.85</b>	3.00
<b>Total</b>	<b>2.85</b>	<b>3.00</b>

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the standalone Balance Sheet as at 31st March, 2017 and 31st March, 2016, being the respective measurement dates.

**A. Change in defined benefit obligation** (₹ in Crore)

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
<b>Defined benefit obligation at 1st April, 2015</b>	25.15	6.41
<b>Service Cost</b>		
Current service cost	1.86	0.53
Curtailement and settlement cost/credit	(0.22)	(0.06)
<b>Interest expense</b>	1.90	0.42
<b>Cash flows</b>		
Benefit payments from plan assets	(1.89)	(2.33)
<b>Remeasurements</b>		
(a) Due to change in financial assumptions	(0.22)	(0.03)
(b) Due to experience adjustments	1.36	1.18
<b>Defined benefit obligation at 31st March, 2016</b>	<b>27.94</b>	<b>6.12</b>
<b>Service Cost</b>		
Current service cost	1.66	0.59
<b>Interest expense</b>	2.18	0.42
<b>Cash flows</b>		
Benefit payments from plan assets	(2.16)	(1.97)
<b>Remeasurements</b>		
(a) Due to change in financial assumptions	2.73	0.44
(b) Due to experience adjustments	0.72	2.28
<b>Defined benefit obligation at 31st March, 2017</b>	<b>33.07</b>	<b>7.88</b>

**B. Change in fair value of plan assets-Gratuity**

Particulars	As at 31 March 2017	As at 31 March 2016
Fair value of plan assets at end of prior period	21.48	21.59
Interest income	1.90	1.89
<b>Cash flows</b>		
(a) Total employer contributions	-	-
(i) Employer contributions	0.30	0.29
(ii) Employer direct benefit payments	-	-
(b) Benefit payments from plan assets	(2.16)	(1.89)
(b) Settlement cost	-	(0.17)
<b>Remeasurement</b>		
(a) Return on assets (excluding interest income)	-	(0.23)
<b>Fair value of plan assets at end of period</b>	<b>21.52</b>	<b>21.48</b>

**C. Recognized in Statement of Profit and Loss** (₹ in Crore)

Particulars	Gratuity	Leave Encashment
<b>Service Cost</b>		
Current service cost	1.86	0.53
Curtailement and settlement cost/credit	(0.22)	(0.06)
<b>Total service cost</b>	<b>1.64</b>	<b>0.47</b>
<b>Net interest cost</b>		
(a) Interest expense on DBO	1.90	0.42
(b) Interest (income) on plan assets	(1.89)	-
<b>Total net interest cost</b>	<b>0.01</b>	<b>0.42</b>
Remeasurements of Other Long Term Benefits	-	1.14
<b>For the year ended 31st March 2016</b>	<b>1.65</b>	<b>2.04</b>
<b>Service Cost</b>		
Current service cost	1.66	0.59
<b>Total service cost</b>	<b>1.66</b>	<b>0.59</b>
<b>Net interest cost</b>		
(a) Interest expense on DBO	2.18	0.42
(b) Interest (income) on plan assets	(1.90)	-
<b>Total net interest cost</b>	<b>0.28</b>	<b>0.42</b>
Remeasurements of Other Long Term Benefits	-	2.72
<b>For the year ended 31st March 2017</b>	<b>1.94</b>	<b>3.72</b>

**D. Recognized in other comprehensive income (OCI)**

Particulars	Gratuity
(a) Due to change in financial assumptions	(0.22)
(b) Due to change in experience adjustments	1.36
(c) Return on assets (excluding interest income)	0.23
<b>For the year ended 31st March 2016</b>	<b>1.38</b>
(a) Due to change in financial assumptions	2.73
(b) Due to change in experience adjustments	0.72
<b>For the year ended 31st March 2017</b>	<b>3.44</b>

**E. Expected cash flows for following year**

Particulars	As at 31 March 2017	As at 31 March 2016
Year 1	2.59	2.74
Year 2	2.60	2.60
Year 3	2.34	2.56
Year 4	2.70	2.24
Year 5	3.02	2.68
Next 5 years	22.42	12.32

**F. Current and non-Current liability for Gratuity and Leave Encashment**

(₹ in Crore)

	Gratuity	Leave Encashment
<b>As on 31st March, 2016</b>		
Current liabilities	6.45	2.03
Non current liabilities	0.01	4.09
<b>As on 31st March, 2017</b>		
Current liabilities	8.54	2.00
Non current liabilities	3.01	5.88

**G. Disaggregation of plan assets into classes**

The weighted-average asset allocations at the period end were as follows:

	Unquoted	Unquoted
Insurance Company products	100%	100%

**H. Actuarial Assumptions**

	As at 31st March 2017	As at 31st March 2016
Discount rate	6.90% P.a.	8.00% P.a.
Salary increase rate	5.25% P.a.	5.25% P.a.
Rate of return on plan assets	6.90% P.a.	8.00% P.a.
Mortality Table	(IALM) (2006-08) (Modified) Ult.	(IALM) (2006-08) (Modified) Ult.
Disability	5.00% of Mortality Rate	5.00% of Mortality Rate
Withdrawal (rate of employee turnover)	Upto age 30 Years:3%	Upto age 30 Years:3%
	31-44 Years:2%	31-44 Years:2%
	45 and above:1%	45 and above:1%
Retirement Age	58 Years	58 Years
Weighted Average Duration	9 Years	9 Years

The assumption of future salary increases have been set after taking into account aspects relating to inflation, seniority, promotion and other relevant factors.

The assumption of attrition rate has been set based on the expected turnover of the company.

**I. Sensitivity Analysis**

	As at 31st March 2017	As at 31st March 2016
<b>A. Discount Rate</b>		
Discount Rate - 50 basis points	34.52	29.10
Assumptions	6.4% P.a.	7.5% P.a.
Discount Rate + 50 basis points	31.71	26.86
Assumptions	7.4% P.a.	8.5% P.a.
<b>B. Salary increase rate</b>		
Salary Rate - 50 basis points	31.61	26.77
Assumptions	4.75% P.a.	4.75% P.a.
Salary Rate + 50 basis points	34.61	29.19
Assumptions	5.75% P.a.	5.75% P.a.

"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. 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, 2017 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**

(₹ in Crore)

	As at 31st March 2017	As at 31st March 2016
Discount rate	6.90% P.a.	7.80% P.a.
Rate of return on plan assets	8.65% P.a.	8.80% P.a.
Guaranteed Rate of return	8.65% P.a.	8.89% P.a.

**53. Earning Per Share (EPS) computed in accordance with Ind AS 33 "Earning Per Share"**

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016
<b>Net Profit/(Loss) after Tax as per P &amp; L A/c</b>	218.02	24.83
Weighted Average No. of Equity Shares for Basic EPS	23,39,30,896	23,11,85,445
Add : Weighted average of Potential equity shares converted during the year	20,03,789	-
Add : Weighted average of Potential equity shares outstanding as on 31st March	-	43,326
Weighted average No. of Equity Shares for Diluted EPS	23,59,34,685	23,12,28,771
<b>Basic EPS Per Share (in ₹)</b>	9.32	1.07
<b>Diluted EPS Per Share (in ₹)</b>	9.24	1.07
<b>Face Value Per Share (in ₹)</b>	2.00	2.00

54. Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit (CGU) within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and fair value less costs of disposal. During the year, the testing did not result in any impairment in the carrying amount of goodwill and other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid term market conditions.

Assumption	Approach used to determining values
<b>Sales volume</b>	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
<b>Sales price</b>	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term inflation forecasts for each territory.
<b>Budgeted gross margin</b>	Based on past performance and management's expectations for the future.
<b>Other operating costs</b>	Fixed costs of the CGUs, which do not vary significantly with sales volumes or prices. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases but not reflecting any future restructurings or cost saving measures. The amounts disclosed above are the average operating costs for the five-year forecast period.
<b>Annual capital</b>	Expected cash costs in the CGUs. This is based on the historical experience of management, and the planned refurbishment expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
<b>Long-term growth rate</b>	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
<b>Pre-tax discount rates</b>	Reflect specific risks relating to the relevant segments and the countries in which they operate.

**55. A. Auditors Remuneration includes the following**

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016
<b>(i) Payment to Auditors</b>		
Audit Fee	0.18	0.31
Certification Work	0.06	0.05
Other Services	0.06	0.17
Out of pocket Expenses	0.02	0.01
<b>Sub Total</b>	<b>0.32</b>	<b>0.54</b>



**(ii) Payment to Branch Auditors**

Audit Fee	0.03	0.03
Tax Audit Fees	0.01	0.01
Other Capacity	0.01	0.01
Certification Work	0.02	0.12
Out of pocket Expenses	0.00	0.00
<b>Sub Total</b>	<b>0.06</b>	<b>0.16</b>
<b>Total</b>	<b>0.38</b>	<b>0.71</b>

**(B) Payment to Cost Auditors**

Audit Fee	0.01	0.01
Out of pocket Expenses	-	0.00
<b>Total</b>	<b>0.01</b>	<b>0.02</b>

56. 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 Crore)

Description	For the Year ended 31-03-2017	For the Year ended 31.03.2016
Salaries & Allowances	1.20	0.00
Travelling and Conveyance	0.05	0.11
Miscellaneous Expenses	0.89	0.01
	2.14	0.12
Opening balance brought forward	0.36	0.25
	2.50	0.37
Less: Capitalised during the year	1.07	0.01
<b>Closing balance carried over</b>	<b>1.44</b>	<b>0.36</b>

**57. A. C.I.F. value of imports**

(₹ in Crore)

Description	For the Year ended 31-03-2017	For the Year ended 31-03-2016
Raw Material	1,827.08	1,428.29
Stores & Spares	141.27	132.53
Capital Goods	8.36	7.67

**B. Expenditure in foreign currency**

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016
(i) Export Selling Expenses	21.62	15.89
(ii) Interest	7.62	15.63
(iii) Travelling	0.39	0.52
(iv) Legal & Professional Expenses	0.17	0.09
(v) Quality Claim	1.94	3.59
(vi) Others	9.82	5.75

**C. Earnings in foreign currency**

F.O.B. value of export	1,242.75	914.10
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**D. Remittance of dividend on equity shares**

NIL NIL

**58. FIRST-TIME ADOPTION OF IND AS**
**Exemption availed and exceptions applied**

The Company prepared financial statements for all periods up to 31st March 2016 in accordance with The Accounting Standards notified u/s 133 of The Companies Act 2013 (as amended) (read with Companies (Accounts) Rules 2014 ("Indian GAAP").

These are the Company's first annual financial statements prepared complying in all material respects with the Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly the Company prepared its opening Ind AS Balance Sheet at April 1, 2015 and comparative period presented for the financial year 2015-16.

**(i) Exemptions availed**

As permitted by Ind AS 101 (First-time Adoption of Ind AS) the Company has availed following exemptions from the retrospective application of certain requirements under Ind AS. These exemptions are:

- The Company has chosen to measure all items of Property, Plant and Equipment and Intangible assets on transition date i.e. 1st April 2015 at carrying cost under Indian GAAP as their deemed cost.
- The Company has chosen to continue Indian GAAP carrying amount of its investments in subsidiary, associate and joint ventures as their deemed cost.
- The Company has opted to apply business combination Ind AS 103 (Business Combinations) post transition date and not retrospectively.

**(i) Exceptions applied**

- The estimates as at 1st April 2015 and 31st March 2016 are consistent with estimates made for the same date in accordance with Indian GAAP.
- The Company has classified the financial assets in accordance with Ind AS 109 (Financial Instruments) on the basis of facts and conditions which existed on Ind AS transition date.
- The Company has elected to apply the Derecognition requirements for financial assets and financial liabilities in accordance with Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

**1. Transition to Ind AS – Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101 on the Company equity, balance sheet & statement of profit & loss for the financial period previously reported under Indian GAAP

**Balance Sheet as at 31st March, 2016**

(₹ in Crore)

Description	Note No	IGAAP	Adjustments	IND AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment		2,329.42		2,329.42
(b) Capital work-in-progress		52.93		52.93
(c) Goodwill	b	-	10.34	10.34
(d) Other Intangible assets		2.02		2.02
<b>(e) Financial Assets</b>				
(i) Investments		416.77		416.77
(ii) Loans		237.79		237.79
(iii) Others Financial Assets		25.72		25.72
(f) Deferred tax assets (net)	g	5.67	(4.94)	0.73
(g) Other non-current assets		4.99		4.99
<b>Current assets</b>				
(a) Inventories		1,083.35		1,083.35
<b>(b) Financial Assets</b>				
(i) Trade receivables		774.51		774.51
(ii) Cash and cash equivalents		15.03		15.03

(₹ in Crore)

Description	Note No	IGAAP	Adjustmets	IND AS
(iii) Bank balances other than (ii) above		0.38		0.38
(iv) Others Financial Assets		66.00		66.00
(c) Other current assets	c	100.85	2.55	103.40
<b>Total Assets</b>		<b>5,115.43</b>	<b>7.95</b>	<b>5,123.38</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share capital		46.24		46.24
(b) Other Equity		590.71	9.34	600.05
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	a	1,182.56	(1.39)	1,181.17
(b) Provisions		4.10		4.10
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		671.60		671.60
(ii) Trade payables		843.91		843.91
(iii) Other financial liabilities		1,516.36		1,516.36
(b) Other current liabilities		251.40		251.40
(c) Provisions		8.48		8.48
(d) Current Tax Liabilities (Net)		0.07		0.07
<b>Total Equity and Liabilities</b>		<b>5,115.43</b>	<b>7.95</b>	<b>5,123.38</b>

**Statement of Profit & Loss for year ended on 31st March, 2016**

(₹ in Crore)

Description	Note No	IGAAP	Adjustmets	IND AS
<b>INCOME</b>				
Revenue from operations (Gross)	c & e	7,091.03	(47.39)	7,043.64
Less: Excise Duty	d	673.90	(673.90)	-
<b>Revenue from operations (Net)</b>		<b>6,417.13</b>	<b>626.51</b>	<b>7,043.64</b>
Other income		24.82		24.82
<b>TOTAL</b>		<b>6,441.95</b>	<b>626.51</b>	<b>7,068.46</b>
<b>EXPENSES</b>				
Cost of materials consumed		3,944.49		3,944.49
Excise Duty on sales	d	-	673.90	673.90
Purchases of Trading Goods		-		-
Changes in inventories of finished goods, work in progress and Trading goods		150.54		150.54
Employee benefits expenses	f	141.58	(1.38)	140.20
Finance costs	a	470.79	(1.39)	469.40
Depreciation and amortization expense	b	295.34	(10.34)	285.00
Other expenses				
Manufacturing Expenses		1,164.60		1,164.60

(₹ in Crore)

Description	Note No	IGAAP	Adjustmets	IND AS
Administrative Expenses		68.57		68.57
Selling expenses	e	146.63	(49.94)	96.69
<b>TOTAL</b>		<b>6,382.54</b>	<b>610.85</b>	<b>6,993.39</b>
Profit/(Loss) before exceptional and extraordinary items and tax		<b>59.41</b>	<b>15.66</b>	<b>75.07</b>
Exceptional items - Gain/(Loss)		(44.96)		(44.96)
<b>Profit/ (Loss) before tax</b>		<b>14.45</b>	<b>15.66</b>	<b>30.11</b>
<b>Tax expense</b>				
Provision for Current Tax		2.95	0.48	3.43
MAT Credit Entitlement		(2.95)		(2.95)
Provision for Deferred Tax	g	(0.14)	4.94	4.80
<b>Profit/(Loss) for the Year</b>		<b>14.59</b>	<b>10.24</b>	<b>24.83</b>
<b>Other Comprehensive Income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Re-measurement gains (losses) on defined benefit plans	f	0.00	(1.38)	(1.38)
Income tax effect on above		-	0.48	0.48
<b>Total Comprehensive Income for the year</b>		<b>14.59</b>	<b>9.34</b>	<b>23.93</b>

**Balance Sheet as at 1st April, 2015**

(₹ in Crore)

Description	Note No	IGAAP	Adjustmets	IND AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment		2,573.68		2,573.68
(b) Capital work-in-progress		28.97		28.97
(d) Goodwill		10.34		10.34
(e) Other Intangible assets		-		-
(h) Financial Assets				
(i) Investments		416.77		416.77
(iii) Loans		44.98		44.98
(iv) Others Financial Assets		25.79		25.79
(i) Deferred tax assets (net)		2.58		2.58
(j) Other non-current assets		11.07		11.07
<b>Current assets</b>				
(a) Inventories		1,296.21		1,296.21
(b) Financial Assets				
(ii) Trade receivables		923.41		923.41
(iii) Cash and cash equivalents		2.14		2.14
(iv) Bank balances other than (iii) above		-		-
(vi) Others Financial Assets		61.37		61.37
(d) Other current assets		380.87		380.87
<b>Total Assets</b>		<b>5,778.18</b>		<b>5,778.18</b>

(₹ in Crore)

Description	Note No	IGAAP	Adjustments	IND AS
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share capital		46.24		46.24
(b) Other Equity		551.12		551.12
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(b) Provisions		5.57		5.57
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		853.72		853.72
(ii) Trade payables		1,318.37		1,318.37
(iii) Other financial liabilities		2,731.98		2,731.98
(b) Other current liabilities		265.57		265.57
(c) Provisions		4.40		4.40
(d) Current Tax Liabilities (Net)		1.21		1.21
<b>Total Equity and Liabilities</b>		<b>5,778.18</b>		<b>5,778.18</b>

(₹ in Crore)

Effect of IND AS adoption on Total Equity	As At 31st March, 2016	As At 1st April, 2015
<b>Total Equity* Under IGAAP</b>	<b>590.71</b>	<b>551.12</b>
<b>Add/(less): Adjustments on account of transitions to IND AS</b>		
On Account of Service Inventory	2.55	-
Goodwill amortisation reversed	10.34	-
Amortisation of Transaction Cost on Borrowings	1.39	-
On Account of Deferred Tax	(4.94)	-
<b>Total Equity Under IND AS</b>	<b>600.05</b>	<b>551.12</b>

\*Represents Compulsory Convertible Warrants and Reserve and surplus excluding share capital.

The following explains the material adjustments made while transition from Indian GAAP to Ind AS.

- As required under Ind AS 109, transactions costs incurred towards origination of borrowings are to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognized in the statement of profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Accordingly the same were adjusted in Long term borrowings. Under Indian GAAP, these transaction costs were charged to statement of profit and loss as and when incurred.
- As required under Ind AS 38, goodwill is not amortized and is assessed for Impairment. Accordingly there is reversal of amortization of goodwill in Indian GAAP and resulted to increase in goodwill value and equity as at 31st March, 2016.
- As per Ind AS, to the extent the service providers have inventory, they measure them at their costs of production. These costs primarily consist of Labour & other costs of directly engaged in providing the service including supervisory personnel and attributable overheads. Accordingly the Company has to account for its inventory with the job service providers called "Unbilled revenue"
- Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. Accordingly excise duty is presented on the face of statement of profit & loss as part of expenses.
- Under Ind AS, revenue from sale of goods is presented net of Trade discount. Accordingly Trade discount is netted with revenue in the statement of profit & loss. Under the Indian GAAP, Trade Discount is shown as part of expenses in the statement of profit and loss account.
- Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit and loss under the Indian GAAP.
- Net Deferred tax Liability/Assets is created on the various Ind AS adjustments as applicable. Deferred tax Liability/Assets under Ind AS also includes Minimum alternate tax entitlement which was shown under Loan & advances in the Indian GAAP.

59. Pursuant to Notification No. GSR 308(E) dated 30th March, 2017, Details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November to 30th December, 2016 as provided in the below table:-

(₹ in Crore)

Particulars	SBNs	Other denomination	Total
Closing cash in hand as on 08.11.2016	0.08	0.02	0.10
Add :- Un-Permitted receipts*	0.11	-	0.11
Add :- Permitted receipts	-	0.39	0.39
Less :- Permitted payments	-	0.30	0.30
Less :- Amount deposited in Banks	0.19	0.01	0.20
<b>Closing cash in hand as on 30.12.2016</b>	<b>-</b>	<b>0.10</b>	<b>0.10</b>

Explanation: For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economics Affairs number S.O. 3407 (E), dated the 8 November, 2016.

\* Represents refund of advances by employees.

60. The operations of Ferro alloys unit of the Company situated at Kothavalasa in Vizianagram district, Andhra Pradesh has been temporarily shut down during previous year due labour problems. During the current year the stated unit has resumed its operations.

61. Previous years' figures have been re-arranged and regrouped wherever considered necessary. Figures less than 50000 have been shown as absolute number.

62. **Note 1 to 62** are annexed to and form integral part of the Balance Sheet and Statement of Profit & Loss.

Signatures to Notes 1 to 62

**AUDITOR'S REPORT:**

In terms of our report of even date annexed hereto.

For **LODHA & CO.**  
Chartered Accountants

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

For and on behalf of the Board of Directors :

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**N.K. LODHA**  
Partner  
Membership No. 85155  
FRN 301051E

**SUNIL WAHAL**  
Partner  
Membership No. 87294  
FRN 000756N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

**PLACE:** New Delhi

**DATED:** 15th May, 2017



TO THE MEMBERS OF JINDAL STAINLESS (HISAR) LIMITED

**REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**

We have audited the accompanying Consolidated Ind AS financial statements of JINDAL STAINLESS (HISAR) LIMITED (herein after referred to as "the Holding Company") and its subsidiaries ("the Holding Company & its subsidiaries" together referred as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated statement of profit and loss (including other comprehensive income), the Consolidated cash flow statement for the year then ended and the consolidated statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

**MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**

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

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Consolidated Ind AS 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the 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 Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in the other matter below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 including the Ind AS, of the Consolidated state of affairs (financial position) of the Group, as at 31st March 2017, and their Consolidated profit (financial performance) including other comprehensive income, their Consolidated cash flows and the consolidated changes in equity for the year ended on that date.

**OTHER MATTERS**

(a) We did not audit the financial statements of four subsidiaries, namely, Jindal Stainless Steelway Limited, JSL Lifestyle Limited, JSL Media Limited and Green Delhi BQS Limited; whose financial statements reflect total assets of ₹ 547.32 Crore and net assets of ₹ (9.68) Crore as at 31st March, 2017, total revenues of ₹ 1617.27 Crore and net cash outflows of ₹ 0.75 Crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. We did not audit the financial statement of one associate, namely Jindal Stainless Corporate Management Services Pvt. Limited; in whose financial statements the Company's share of net profit is ₹ 0.48 Crore for the year ended on 31st March, 2017. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our report on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors.

Financial statements of a subsidiary namely JSL Logistics Limited; which reflect total assets of ₹ 0.92 Crore and net assets of ₹ 0.63 Crore as at 31st March, 2017, total revenue of ₹ 1.19 Crore and total cash inflows of ₹ 0.10 Crore for the year then ended have been audited by one of the joint auditors of the company.

(b) We have relied on the management certified financial statements (un-audited) of an associate of a subsidiary, namely J.S.S. Steelitalia Limited in whose financial statements the Group's share of loss is ₹ 2.09 Crore for the year ended on 31st March, 2017. These Financial statements are un-audited and 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 included and disclosure included in respect of this associate is based solely on such management certified (un-audited) financial statements / financial information.

Our opinion on the Consolidated Ind AS 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 / financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

**As required by sub-section 3 of Section 143 of the Act, 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 Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated balance sheet, the Consolidated statement of profit and loss, the Consolidated cash flow statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies and associates companies incorporated in India, none of the Directors of the Group and its Associates incorporated in India is disqualified as on 31st March 2017 from being appointed as a Director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group (Holding and Subsidiary Companies) and its associates companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure- A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group and its Associates- Refer Note 35, 41 & 43 to the Consolidated Ind AS financial statements.
  - ii. Provision has been made in the Consolidated Ind AS financial statement, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and its subsidiaries companies, Associate Companies incorporated in India.
  - iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note No. 54 to the Consolidated Ind AS financial statements.

For **LODHA & CO.**  
Chartered Accountants  
ICAI-FRN: 301051E

N.K. LODHA  
Partner  
Membership No. 85155  
**Place:** New Delhi  
**Dated:** 15th May 2017

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

SUNIL WAHAL  
Partner  
Membership No. 87294

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS of JINDAL STAINLESS (HISAR) LIMITED**

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") In conjunction with our audit of the Consolidated Ind AS financial statements of the Company as of and for the year ended 31st March 2017, we have audited the internal financial controls over financial reporting of JINDAL STAINLESS (HISAR) LIMITED ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries (incorporated in India) together referred to as "the Group") and its associates which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

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

**AUDITOR'S RESPONSIBILITY**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's and its associates' internal financial controls system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**OPINION**

In our opinion, the Holding Company, its subsidiary companies and its associates which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**OTHER MATTERS**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 5 subsidiary companies (including one subsidiary company audited by one of the joint auditor of the company) and 2 associate companies which are companies incorporated in India, is based on the corresponding reports of the respective auditors of such companies incorporated in India.

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

N.K. LODHA  
Partner  
Membership No. 85155  
**Place:** New Delhi  
**Dated:** 15th May 2017

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

SUNIL WAHAL  
Partner  
Membership No. 87294

**JINDAL STAINLESS (HISAR) LIMITED**

Consolidated Balance Sheet As At 31st March, 2017

(₹ in Crore)

	Description	Note No.	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	<b>ASSETS</b>				
(1)	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment	2	2,338.62	2,448.50	2,700.26
	(b) Capital work-in-progress		42.05	60.60	29.25
	(c) Goodwill (includes Goodwill on Consolidation)	3	86.25	86.25	85.59
	(d) Other Intangible assets	3	4.92	10.90	15.01
	(e) Financial Assets				
	(i) Investments	4	418.40	368.77	369.91
	(ii) Loans	5	485.00	192.66	26.44
	(iii) Other Financial Assets	6	49.60	29.46	27.77
	(f) Deferred tax assets (net)	7	5.57	7.14	10.18
	(g) Other non-current assets	8	8.89	5.22	11.28
(2)	<b>Current assets</b>				
	(a) Inventories	9	1,716.06	1,221.41	1,448.99
	(b) Financial Assets				
	(i) Trade receivables	10	1,049.74	836.58	954.41
	(ii) Cash and cash equivalents	11	8.06	16.75	9.99
	(iii) Bank balances other than (ii) above	12	5.58	6.40	9.29
	(iv) Loans	13	-	14.91	-
	(v) Other Financial Assets	14	80.79	77.51	71.21
	(c) Current Tax Assets (Net)	15	9.38	10.14	9.20
	(d) Other current assets	16	378.65	144.14	418.16
	<b>TOTAL ASSETS</b>		<b>6,687.56</b>	<b>5,537.34</b>	<b>6,196.94</b>
	<b>EQUITY AND LIABILITIES</b>				
	<b>EQUITY</b>				
	(a) Equity Share capital	17	47.19	46.24	46.24
	(b) Other Equity	17A	845.87	562.64	500.98
	<b>Non-Controlling Interest</b>	17A	21.82	18.54	18.99
(1)	<b>LIABILITIES</b>				
	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	18	2,435.05	1,211.58	48.42
	(b) Provisions	19	11.98	6.83	8.05
	(c) Deferred tax liabilities (Net)	20	44.84	4.51	4.31
(2)	<b>Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	21	932.09	781.10	988.30
	(ii) Trade payables	22	1,638.91	1,084.28	1,534.30
	(iii) Other financial liabilities	23	354.42	1,519.64	2,756.80
	(b) Other current liabilities	24	313.46	293.32	284.89
	(c) Provisions	25	10.70	8.59	4.45
	(d) Current Tax Liabilities (Net)	26	31.23	0.07	1.21
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,687.56</b>	<b>5,537.34</b>	<b>6,196.94</b>
	<b>Significant Accounting Policies</b>	1			
	<b>Notes referred to above are an integral part of the financial statements</b>	2-60			

**AUDITOR'S REPORT:**

In terms of our report of even date annexed hereto.

 For **LODHA & CO.**  
Chartered Accountants

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

For and on behalf of the Board of Directors :

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**N.K. LODHA**  
Partner  
Membership No. 85155  
FRN 301051E

**SUNIL WAHAL**  
Partner  
Membership No. 87294  
FRN 000756N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

**PLACE:** New Delhi  
**DATED:** 15th May, 2017



**JINDAL STAINLESS (HISAR) LIMITED**

Consolidated Statement of Profit &amp; Loss for the Year ended on 31st March, 2017 (₹ in Crore)

Description	Note No.	For the Year ended 31.03.2017	For the Year ended 31.03.2016
<b>INCOME</b>			
I Revenue from operations (Gross)	27	8,536.19	7,991.45
II Other income	28	65.00	25.74
<b>III TOTAL INCOME (I+II)</b>		<b>8,601.19</b>	<b>8,017.19</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	29	4,974.51	4,560.43
Purchases of Trading Goods		203.67	74.50
Changes in inventories of finished goods, work in progress and Trading goods	30	(176.84)	167.42
Employee benefits expenses	31	176.10	175.84
Excise Duty on sales		761.71	756.84
Finance costs	32	431.41	493.35
Depreciation and amortization expense	33	285.23	304.81
Other expenses	34	1,616.16	1,395.13
<b>TOTAL EXPENSES (IV)</b>		<b>8,271.95</b>	<b>7,928.32</b>
<b>V Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>329.24</b>	<b>88.87</b>
VI Exceptional items - Gain/(Loss)	38	28.27	(44.17)
VII Share of Profit/(Loss) from Associate		50.25	(1.17)
<b>VIII Profit/(Loss) before tax (V+VI+VII)</b>		<b>407.76</b>	<b>43.53</b>
<b>IX Tax expense</b>			
Provision for Current Tax		75.47	4.22
MAT Credit Entitlement		(41.55)	(2.14)
Provision for Deferred Tax		83.15	5.40
Previous Year Taxation Adjustment		-	(0.40)
<b>X Profit/(Loss) for the year (VIII-IX)</b>		<b>290.69</b>	<b>36.45</b>
<b>Profit/(Loss) attributable to:</b>			
Owners of the Company		286.86	36.46
Non-Controlling Interest		3.83	(0.01)
		<b>290.69</b>	<b>36.45</b>
<b>XI Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gains (losses) on defined benefit plans		(3.97)	(1.43)
Provision for Deferred Tax		0.17	0.02
Provision for Current Tax		1.20	0.47
Share from Associate		(0.16)	0.25
<b>Other Comprehensive Income for the year</b>		<b>(2.76)</b>	<b>(0.69)</b>
<b>Other Comprehensive Income attributable to:</b>			
Owners of the company		(2.68)	(0.68)
Non-Controlling Interest		(0.08)	(0.01)
		<b>(2.76)</b>	<b>(0.69)</b>
<b>XII Total Comprehensive Income for the year (X+XI)</b>		<b>287.93</b>	<b>35.76</b>
<b>Total Comprehensive Income attributable to:</b>			
Owners of the Company		284.18	35.78
Non-Controlling Interest		3.75	(0.02)
		<b>287.93</b>	<b>35.76</b>
<b>XIII Earnings per share (in ₹)</b>	<b>52</b>		
Basic		12.26	1.58
Diluted		12.16	1.58
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>Notes referred to above are an integral part of the financial statements</b>	<b>2-60</b>		

**AUDITOR'S REPORT:**

In terms of our report of even date annexed hereto.

 For **LODHA & CO.**  
Chartered Accountants

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

For and on behalf of the Board of Directors :

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**N.K. LODHA**  
Partner  
Membership No. 85155  
FRN 301051E

**SUNIL WAHAL**  
Partner  
Membership No. 87294  
FRN 000756N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

**PLACE:** New Delhi  
**DATED:** 15th May, 2017

**JINDAL STAINLESS (HISAR) LIMITED**

Consolidated Statement of Changes in Equity for the year ended 31st March, 2017

**EQUITY SHARE CAPITAL** (₹ in Crore)

As at April 1, 2015	Changes in equity share capital during 2015-16	As at March 31, 2016	Changes in equity share capital during 2016-17	As at March 31, 2017
46.24*	-	46.24	0.95	<b>47.19</b>

\* refer note 17 (B)

**OTHER EQUITY** (₹ in Crore)

Particulars	Equity Earnings component of compound financial instruments	Reserves and Surplus			Items of Other Comprehensive Income Re-measurement of the net defined benefit Plans(Net of Tax)	Attributable to Owners of the company	Attributable to non controlling Interest
		Capital Reserve	Securities Premium Reserve	Retained Earnings			
<b>Balance as at 1st April, 2015(Refer Note No. 56)</b>	-	0.05	538.89	(37.96)	-	500.98	18.99
On Merger of Subsidiaries				0.88		0.88	(0.21)
Profit for the year 2015-16				36.46		36.46	(0.01)
Issued during the year (refer note 39 )	25.00					25.00	
Share of Profit/(loss) from associates of subsidiary							(0.22)
Re-measurements of the net defined benefit Plans					(0.68)	(0.68)	(0.01)
<b>Balance as at 31st March, 2016</b>	<b>25.00</b>	<b>0.05</b>	<b>538.89</b>	<b>(0.62)</b>	<b>(0.68)</b>	<b>562.64</b>	<b>18.54</b>
Profit for the year 2016-17				286.86		286.86	3.83
Addition/ (Transfer) #	(25.00)		24.05			(0.95)	
Share of Profit/(loss) from associates of subsidiary							(0.47)
Re-measurements of the net defined benefit Plans					(2.68)	(2.68)	(0.08)
<b>Balance as at 31st March, 2017</b>	<b>-</b>	<b>0.05</b>	<b>562.94</b>	<b>286.24</b>	<b>(3.36)</b>	<b>845.87</b>	<b>21.82</b>

# Conversion of CCW's in equity Shares (Refer Note No.39)

**AUDITOR'S REPORT:**

In terms of our report of even date annexed hereto.

 For **LODHA & CO.**  
Chartered Accountants

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

For and on behalf of the Board of Directors :

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**N.K. LODHA**  
Partner  
Membership No. 85155  
FRN 301051E

**SUNIL WAHAL**  
Partner  
Membership No. 87294  
FRN 000756N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

**PLACE:** New Delhi  
**DATED:** 15th May, 2017

**JINDAL STAINLESS (HISAR) LIMITED**

Consolidated Cash Flow Statement for the Year ended 31st March, 2017

(₹ in Crore)

Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
<b>A. Cash Inflow / (Outflow) from Operating Activities</b>		
<b>Net Profit Before Tax and after Exceptional Items</b>	<b>407.76</b>	<b>43.53</b>
Adjustment for:		
Depreciation/Amortisation	285.23	304.81
Provision for Doubtful Debts & Advance / Bad Debts(Net)	44.77	18.61
Liability Written Back	-	(23.75)
Mine Development Expenditure Written Off	-	1.93
Effect of Unrealised Foreign Exchange (Gain)/Loss	(36.04)	2.51
MTM (Gain)/Loss	(3.54)	3.17
Share of Profit/(Loss) from Associate	(50.25)	1.17
Remeasurements of net defined benefit plans	(3.97)	(1.43)
Finance Cost	431.41	493.35
Interest Income	(58.12)	(18.83)
(Profit) / Loss on Sale/Discard of Property, Plant and Equipment (Net)	2.12	0.38
<b>Operating Profit Before Working Capital Changes</b>	<b>1,019.37</b>	<b>825.45</b>
Adjustment for:		
(Increase) / Decrease in Inventories	(494.66)	188.49
(Increase) / Decrease in Trade Receivables	(241.28)	93.93
(Increase) / Decrease in Loans & Advances & Other Assets	(265.68)	258.30
Increase / (Decrease) in Liabilities and Provisions	714.27	(441.97)
<b>Cash Inflow from Operating Activities</b>	<b>732.02</b>	<b>924.20</b>
Income Tax (Advance) / Refund (Net)	(41.88)	(5.41)
<b>Net Cash Inflow from Operating Activities</b>	<b>690.14</b>	<b>918.79</b>
<b>B. Cash Inflow / (Outflow) from Investing Activities</b>		
Sale/Redemption/(purchase) of Investment (Net)	-	0.01
Investment in Associate	-	(0.01)
Amount paid in terms of Composite Scheme of Arrangement	(1,415.07)	(1,184.93)
Bank deposits not considered as Cash & Cash Equivalents(Net)	1.82	1.89
Capital Expenditure	(139.24)	(91.05)
Loan given to Related Party(Net)	(277.43)	(154.80)
Sales Proceeds of Property, Plant and Equipment Sold	4.09	7.06
Interest Received	45.88	25.01
<b>Net Cash Outflow from Investing Activities</b>	<b>(1,779.95)</b>	<b>(1,396.82)</b>
<b>C. Cash Inflow / (Outflow) from Financing Activities</b>		
Interest and Finance Charges Paid	(429.68)	(495.59)
Proceeds from / (Repayment of) Long Term Borrowings (net)	1,355.89	1,163.00
Proceeds from / (Repayment of) Short Term Borrowings (net)	154.92	(207.63)
Issue of Compulsory Convertible Warrants	-	25.00
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>	<b>1,081.13</b>	<b>484.78</b>
<b>Net Changes in Cash &amp; Cash Equivalents</b>	<b>(8.68)</b>	<b>6.76</b>
<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<b>8.06</b>	<b>16.75</b>
<b>Cash &amp; Cash Equivalents (Opening Balance)</b>	<b>16.75</b>	<b>9.99</b>
<b>Net Changes in Cash &amp; Cash Equivalents</b>	<b>(8.68)</b>	<b>6.76</b>

**Notes :**

- Cash and cash equivalents includes :-
 

Cash, Cheques and Stamps in hand	4.17	13.59
Balance with Banks	3.89	3.16
	<b>8.06</b>	<b>16.75</b>
- Increase in paid up Capital, in terms of the Composite Scheme of Arrangement, are cash neutral and as such not considered in this statement. (read with note no. 36)
- 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 and on behalf of the Board of Directors :

 For **LODHA & CO.**  
Chartered Accountants

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

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**N.K. LODHA**  
Partner  
Membership No. 85155  
FRN 301051E

**SUNIL WAHAL**  
Partner  
Membership No. 87294  
FRN 000756N

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

**PLACE:** New Delhi  
**DATED:** 15th May, 2017



**NOTE NO – 1 BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES**

**1) General Information:**

JINDAL STAINLESS (HISAR) LIMITED (“the Company” or “the Parent Company”) is a leading manufacturer /producer of Stainless steel flat products in Austenitic, Ferritic, Martensitic and Duplex grades. The product range includes Ferro Alloys, Stainless Steel Slabs and Blooms, Hot Rolled Coils, Plates, Cold Rolled Coils and specialty products such as razor blade steel, precision strips and coin blanks.

The Parent and its subsidiaries (together referred as “the Group”) are manufacturer of diverse range of steel products with its manufacturing facilities located in the state of Haryana, Andhra Pradesh, Tamil Nadu, Gujarat and Maharashtra in India.

**2) Statement of compliance:**

The consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Indian Accounting Standards notified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the relevant provisions of the Companies Act, 2013 and listing requirements.

For all periods up to and including the year ended 31st March 2016, the Group prepared its consolidated financial statements in accordance with the Accounting Standards notified u/s 133 of The Companies Act 2013 ( as amended ) (read with Companies (Accounts ) Rules 2014 (“Indian GAAP”). Indian GAAP is considered as the previous GAAP, under INDAS 101. These are the first Ind AS Consolidated Financial Statements of the Group. The date of transition to Ind AS is 1st April, 2015. The Group has consistently applied the accounting policies used in the preparation of its opening INDAS Balance Sheet at April 1, 2015 and comparative period presented.

These Consolidated financial statements have been approved and adopted by Board of Directors of the Company in their meeting held on 15th May 2017.

The Company is listed on stock exchanges in India and Luxembourg. These consolidated financial statements are available on the web site of the Company for public use.

**3) Basis of Preparation of Consolidated Financial Statements:**

The Company has prepared consolidated financial statements by consolidating its accounts with those of the followings as on 31.03.2017:

i) Name	Country of Incorporation	%Age Shareholding / Voting Power		
		31.03.2017	31.03.2016	01.04.2015
<b>Subsidiaries @</b>				
Jindal Stainless Steelway Limited	India	81.91%	81.91%	81.91%
JSL Architecture Limited \$	India	0.00%	0.00%	74.89%
JSL Lifestyle Limited	India	73.37%	73.37%	78.47%
JSL Logistics Limited	India	100.00%	100.00%	100.00%
Green Delhi BQS Limited	India	68.22%	68.22%	68.22%
JSL Media Limited	India	99.94%	99.94%	99.94%
<b>Associates*</b>				
J.S.S. Steelitalia Limited	India	33.00%	33.00%	33.00%
Jindal Stainless Limited	India	42.13%	0.00%	0.00%
Jindal Stainless Corporate Management Services Pvt Ltd.	India	50.00%	50.00%	0.00%

\$ Pursuant to the scheme of amalgamation between JSL Architecture Limited (Transferor Company) with JSL lifestyle Limited (transferee company) become effective on 02nd December, 2015 w.e.f. appointed date i.e. 01st April, 2014. The transferee company, in consideration, has issued 76 fully paid up equity shares of ₹ 10 each for every 100 Equity Shares of ₹ 10 each held by the company in Transferor Company.

@ The Control in subsidiary is gained when the Company is exposed to, or has rights to variable returns from its involvement with the entity and the ability to affect those returns through its power over the entity.

\* An associate is entity over which the group has significant influence, i.e. the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

ii) The Financial Statements of parent Company and its subsidiaries have been consolidated on line-by-line basis by adding together book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra- group transactions in accordance with Ind AS 110 “Consolidated Financial Statement”.

iii) Non-controlling Interest represents the equity in a subsidiary not attributable, directly or indirectly to a Parent. Non-controlling interest in the net assets of the subsidiaries being consolidated is identified and presented in the consolidated Balance Sheet separately from the equity attributable to the Parent’s shareholders and liabilities. Profit or loss and each component of other comprehensive income are attributed to Parent and to the non-controlling interest. Impact of any insignificant and immaterial Non-Controlling Interest is not considered.

iv) In case of associates, where Company holds directly or indirectly through subsidiaries 20% or more equity or / and exercises significant influence, investments are accounted for by using equity method in accordance with Ind AS 28 “Investments in Associates and Joint Ventures”.

- v) Post-acquisition, the Company accounts for its share in the change in net assets of the associates (after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share), through its statement of profit and loss, other comprehensive income and through its reserves for the balance.
- vi) The difference between the cost of investment and the share of net fair value of investees’ assets and liabilities at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be. However Goodwill is not separately recognised but included in the value of investments.
- vii) The difference between the cost of investment at the time of acquisition of shares in the subsidiaries and the share of net of the assets acquired and the liabilities assumed measured at their acquisition date fair values is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- viii) The Accounting Policies of the parent company, its subsidiaries and associates are largely similar.
- ix) The deferred tax is recognised for temporary differences arising after elimination of profits and losses resulting from intragroup transactions.
- x) Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with Parent company’s financial statements.
- xi) Significant Accounting Policies of the financial statements of the company and its subsidiaries are set out in their respective Standalone Financial Statements.
- xii) Exemptions from retrospective application:  
Business Combinations: The Company has opted to apply Ind AS 103 prospectively from the date of transition to Ind AS, i.e. 1st April, 2015 onwards. As such, previous GAAP balances relating to assets and liabilities acquired under business combinations entered into before transition date, have been carried forward without any adjustments.

4) **Significant accounting policies:** The significant accounting policies to prepare consolidated financial statements are in uniformity with the standalone financial statements of the Company. Following are the additional policies specifically considered for preparation of consolidated financial statements:

**a) Business Combination:**

Business Combinations are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Company in exchange for control of the acquiree. The acquiree’s identifiable assets, liabilities and contingent liabilities that meet the recognition criteria are stated at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard.

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

**b) Deferred Tax:**

The Company does not recognise deferred tax liability with respect to undistributed retained earnings of subsidiaries as the Company controls the timing of distribution of profits and it is probable that the subsidiaries will not distribute the profits in the foreseeable future.

**c) Goodwill:**

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

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

**2. Property, Plant and Equipment**

(₹ in Crore)

Particulars	Leasehold land	Freehold land #	Buildings #	Plant and Equipment *	Furniture and Fixtures	Vehicles	Office Equipments and Computers	Total
<b>GROSS CARRYING AMOUNT</b>								
As at 1st April, 2015 \$	3.11	324.74	410.58	2,310.42	10.15	21.90	4.20	3,085.10
Additions	4.42	-	0.76	46.92	0.39	1.24	0.34	54.07
Disposal/Adjustments			3.23	18.24	0.00	0.20	0.01	21.68
As at 31st March, 2016	7.53	324.74	408.11	2,339.10	10.54	22.94	4.53	3,117.49
Additions	-	2.95	29.92	134.24	4.11	2.69	0.79	174.70
Disposal/Adjustments	-	-	-	21.57	1.20	0.55	1.10	24.42
As at 31st March, 2017	7.53	327.69	438.03	2,451.77	13.45	25.08	4.22	3,267.77
<b>ACCUMULATED DEPRECIATION</b>								
As at 1st April, 2015 \$	0.23		35.88	336.49	3.61	7.04	1.59	384.84
Charge for the year	0.22		25.74	268.49	1.17	2.41	0.37	298.40
Disposal/Adjustments			0.11	14.08	0.00	0.05	0.01	14.25
As at 31st March, 2016	0.45	-	61.51	590.90	4.78	9.40	1.95	668.99
Charge for the year	0.44		25.78	248.05	1.26	2.42	0.41	278.36
Disposal/Adjustments			0.00	17.26	0.46	0.27	0.21	18.20
As at 31st March, 2017	0.89	-	87.29	821.69	5.58	11.55	2.15	929.15
<b>NET CARRYING AMOUNT</b>								
As at 1st April, 2015 \$	2.88	324.74	374.70	1,973.93	6.54	14.86	2.61	2,700.26
As at 31st March, 2016	7.08	324.74	346.60	1,748.20	5.76	13.54	2.58	2,448.50
As at 31st March, 2017	6.64	327.69	350.74	1,630.08	7.87	13.53	2.07	2,338.62

**Notes**

# Title deeds of Free Hold Land and Building amounting to ₹ 318.12 Crore and ₹ 3.24 Crore respectively are pending to be transfer in the name of the company. However, mutation of whole land at Hisar (other than 97 kanal of land amounting to ₹ 9.98 Crore) has been recorded by Land Revenue Department in the name of the Company. (Read with note no 36)

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

\* Include ₹13.09 Crore pertaining to sub grade and tailing plant for which permission to operate has been granted by Odisha government on 20th March 2017, subject to certain compliances which are in process.

**3. Goodwill and Intangible Assets**

(₹ in Crore)

Particulars	Goodwill **	Software *	Bus Q Shelter Concession Rights	Total
<b>GROSS CARRYING AMOUNT</b>				
As at 1st April, 2015	85.59	3.08	50.26	138.93
Additions	0.66	2.30	-	2.96
Disposal/Adjustments				
As at 31st March, 2016	86.25	5.38	50.26	141.89
Additions	-	0.89	-	0.89
Disposal/Adjustments				
As at 31st March, 2017	86.25	6.27	50.26	142.78
<b>ACCUMULATED AMORTIZATION</b>				
As at 1st April, 2015	-	1.68	36.65	38.33
Charge for the period	-	0.55	5.86	6.41
Disposal/Adjustments				
As at 31st March, 2016	-	2.23	42.51	44.74
Charge for the period	-	1.01	5.86	6.87
Disposal/Adjustments				
As at 31st March, 2017	-	3.24	48.37	51.61
<b>NET CARRYING AMOUNT</b>				
As at 1st April, 2015	85.59	1.40	13.61	100.60
As at 31st March, 2016	86.25	3.15	7.75	97.15
As at 31st March, 2017	86.25	3.03	1.89	91.18

\* Amortised in 5 Years

\*\* Goodwill was initially recognised and decided by the management to amortise over a period of two years, accordingly ₹ 10.34 Crore were amortised during the earlier year (2014-15). During the year 2016-17 life of goodwill has been reconsidered from definite to indefinite as per IND AS, accordingly the Goodwill has been restated at ₹ 10.34 Crore as at 1st April 2015. (Refer Note No. 50)

Note No.	Description	As at 31.03.2017			As at 31.03.2016			As at 01.04.2015		
		Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
<b>4</b>	<b>INVESTMENTS</b>									
<b>A</b>	<b>NON - CURRENT INVESTMENTS</b>									
	<b>LONG TERM INVESTMENTS</b>									
	Equity Shares Fully Paid Up of Associate Company- Quoted -At Cost									
	Jindal Stainless Limited (refer note no. 36 & 40)	16,82,84,309	2	366.19		-				-
	Share in Profit/(Loss) from Associate			51.69		-				-
	<b>TOTAL (A)</b>			<b>417.88</b>						
<b>B</b>	<b>Equity Shares Fully Paid Up of Associate Company- Unquoted -At Cost</b>									
	Jindal Stainless Corporate Management Services Pvt. Ltd.	5,000	10	0.01	5,000	0.01				0.01
	Share in Profit/(Loss) from Associate			0.51		0.03				0.03
	J.S.S. Steelliaia Limited	77,13,190	10	7.71	77,13,190	7.71				7.71
	Share in Profit/(Loss) from Associate			(7.71)		(5.17)				(4.00)
	<b>TOTAL (B)</b>			<b>0.52</b>		<b>2.58</b>				<b>3.71</b>
<b>C</b>	<b>Equity Shares pending allotment-At Amortised Cost</b>									
	Jindal Stainless Limited			-		366.19				366.19
	(in terms of Composite Scheme of Arrangement refer note no. 36)			-		366.19				366.19
	<b>TOTAL (C)</b>									
<b>D</b>	<b>Govt./Semi Govt. Securities - Non Trade at Fair Value</b>									
	National Savings Certificate [₹ 11,000 (₹ 11,000)]			0.00		0.00				0.01
	<b>TOTAL (D)</b>			<b>0.00</b>		<b>0.00</b>				<b>0.01</b>
	<b>TOTAL NON CURRENT INVESTMENT</b>			<b>418.40</b>		<b>368.77</b>				<b>369.91</b>
	Aggregate amount of quoted investments			417.88		-				-
	Aggregate market value of quoted investments			1,198.18		-				-
	Aggregate amount of unquoted investments			0.52		368.77				369.91

\* Lodged with Government Authorities as Security.

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>5</b>	<b>NON CURRENT LOANS</b>			
	(Unsecured, Considered good unless otherwise stated)			
	Loans to related party	485.00	192.66	-
	Loans to other party	-	-	26.44
	<b>TOTAL - NON CURRENT LOANS</b>	<b>485.00</b>	<b>192.66</b>	<b>26.44</b>

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>6</b>	<b>OTHER NON CURRENT FINANCIAL ASSETS</b>			
	Bank deposits with remaining maturity of more than 12 Months*	0.11	1.11	0.10
	Interest Receivable from Related Party	21.43	-	-
	Security Deposit	28.06	28.35	27.67
	[Net of Provision of ₹ 0.54 Crore (₹ 0.54 Crore) (₹ 0.54 Crore)]			
	<b>TOTAL - OTHER NON CURRENT FINANCIAL ASSETS</b>	<b>49.60</b>	<b>29.46</b>	<b>27.77</b>

\* under lien with Banks.

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>7</b>	<b>DEFERRED TAX ASSET (NET)</b>			
	(a) DEFERRED TAX LIABILITY			
	Difference between book & tax depreciable Assets	4.17	109.66	94.90
	Other Temporary Differences	0.00	4.94	-
	<b>Total Deferred Tax Liability</b>	<b>4.17</b>	<b>114.60</b>	<b>94.90</b>
	(b) DEFERRED TAX ASSETS			
	Disallowance under Income Tax Act	1.76	32.85	24.70
	Brought forward loss/Unabsorbed Depreciation	7.98	83.35	77.80
	<b>Total Deferred Tax Assets</b>	<b>9.74</b>	<b>116.20</b>	<b>102.50</b>
	<b>MAT CREDIT ENTITLEMENT</b>	<b>0.00</b>	<b>5.54</b>	<b>2.58</b>
	<b>DEFERRED TAX ASSET (NET)</b>	<b>5.57</b>	<b>7.14</b>	<b>10.18</b>

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>8</b>	<b>OTHER NON CURRENT ASSETS</b>			
	Mines Development Expenses	-	-	8.83
	Capital Advances	8.85	5.13	2.00
	Other Non Current Assets *	0.04	0.09	0.45
	<b>TOTAL - OTHER NON CURRENT ASSETS</b>	<b>8.89</b>	<b>5.22</b>	<b>11.28</b>

\* includes Prepaid Expenses



(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>9</b>	<b>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 ₹ 285.01 Crore ( ₹ 109.44 Crore) ( ₹ 153.32 Crore)]	<b>597.29</b>	276.76	285.05
	Work in Progress	<b>397.49</b>	376.54	438.11
	Finished Goods	<b>591.77</b>	429.52	577.95
	Trading Goods		0.35	0.35
	Store and Spares [Including material in Transit ₹ 8.87 Crore ( ₹ 9.48 Crore)( ₹ 6.67 Crore)]	<b>102.28</b>	114.70	119.51
	Scrap (at estimated realizable value)	<b>27.23</b>	23.54	28.02
	<b>TOTAL - INVENTORIES</b>	<b>1,716.06</b>	<b>1,221.41</b>	<b>1,448.99</b>

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>10</b>	<b>TRADE RECEIVABLES</b>			
	Unsecured			
	Considered good*	<b>1,049.74</b>	836.58	954.41
	Doubtful	<b>42.95</b>	48.03	48.95
	Less : Provision for doubtful receivable	<b>42.95</b>	48.03	48.95
	<b>TOTAL - TRADE RECEIVABLES</b>	<b>1,049.74</b>	<b>836.58</b>	<b>954.41</b>

\*The above includes receivables of ₹ 66.61 Crore (₹ 65.39 Crore) (₹ 130.73 Crore) due for more than 180 days. Also includes retention Money of ₹ 0.62 Crore (₹ 0.87 Crore) (₹ NIL)

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>11</b>	<b>CASH AND CASH EQUIVALENTS</b>			
	Balances with Banks	<b>3.86</b>	3.16	7.85
	Bank Deposits with original maturity of less than three month *	<b>0.03</b>	-	-
	Cheques in hand/Money in Transit	<b>4.05</b>	13.46	1.95
	Cash in Hand	<b>0.12</b>	0.13	0.19
	Stamps in Hand [₹ 13,323 (₹36,000)(₹18,000)]	<b>0.00</b>	0.00	0.00
	Puja and Silver Coins [ ₹13,039 (₹ 11,000)(₹10,000)]	<b>0.00</b>	0.00	0.00
	<b>TOTAL - CASH AND CASH EQUIVALENTS</b>	<b>8.06</b>	<b>16.75</b>	<b>9.99</b>

\* under lien with Banks.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>12</b>	<b>OTHER BANK BALANCES</b>			
	Bank Deposits with original maturity of more than three month but less than 12 months *	<b>5.58</b>	6.40	9.29
	<b>TOTAL - OTHER BANKS BALANCES</b>	<b>5.58</b>	<b>6.40</b>	<b>9.29</b>

\* under lien with Banks.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>13</b>	<b>CURRENT LOANS</b> (Unsecured, Considered goods unless otherwise stated) Loans to other party			
		-	14.91	-
	<b>TOTAL - CURRENT LOANS</b>	<b>-</b>	<b>14.91</b>	<b>-</b>

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>14</b>	<b>OTHER CURRENT FINANCIAL ASSETS</b>			
	Security deposit	<b>6.95</b>	8.30	9.81
	Interest Receivable	<b>7.02</b>	16.21	13.92
	Other Financial Assets * [Net of Provision of ₹ Nil (₹ 0.23 Crore)(₹ 0.23 Crore)]	<b>66.82</b>	53.00	47.48
	<b>TOTAL - OTHER CURRENT FINANCIAL ASSETS</b>	<b>80.79</b>	<b>77.51</b>	<b>71.21</b>

\* Includes Export Incentives etc.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>15</b>	<b>CURRENT TAX ASSETS (NET)</b>			
	Current Tax Assets	<b>9.38</b>	10.14	9.20
	<b>TOTAL - CURRENT TAX ASSETS (NET)</b>	<b>9.38</b>	<b>10.14</b>	<b>9.20</b>

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>16</b>	<b>OTHER CURRENT ASSETS</b>			
	Advance to vendors	<b>78.74</b>	54.03	62.48
	Advances to Related Party#	<b>204.57</b>	-	226.72
	Advance to employees	<b>0.55</b>	0.64	0.46
	Balances with Central Excise/ Port authorities	<b>47.88</b>	39.58	79.65
	Mines Development Expenses	-	-	3.10
	Unbilled Revenue	<b>0.05</b>	2.55	-
	Other Current Assets *	<b>46.86</b>	47.34	45.75
	<b>TOTAL - OTHER CURRENT ASSETS</b>	<b>378.65</b>	<b>144.14</b>	<b>418.16</b>

# Includes ₹ Nil (₹ Nil) (₹ 226.72 Crore) receivable from Jindal Stainless Limited due to implementation of composite Scheme of Arrangement. (Refer note no. 36). Also includes ₹ 204.57 Crore (₹ Nil) (₹ Nil) receivable from Jindal Stainless Limited on current account.

\* includes prepaid Expenses etc.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>17</b>	<b>SHARE CAPITAL</b>			
<b>(A)</b>	<b>AUTHORISED</b>			
	240,000,000 (240,000,000)(250000) Equity Shares of ₹2/- each	48.00	48.00	0.05
	10,000,000 (10,000,000)(Nil) Preference Shares of ₹ 2/- each	2.00	2.00	
		50.00	50.00	0.05
	<b>ISSUED, SUBSCRIBED AND PAID UP</b>			
	235,934,685 (231,185,445)(250000) Equity Shares of ₹ 2/- each (Refer note no 36 and 39)	47.19	46.24	-
<b>(B)</b>	<b>SHARE CAPITAL SUSPENSE ACCOUNT (Refer note no 36)</b>			
	Nil (Nil)(226375005) nos. Equity Shares of ₹ 2/-each fully paid up to be issued in terms of Composite Scheme of Arrangement	-	-	45.28
	Nil (Nil)(4810440) nos. 0.10% Cumulative Compulsory Convertible Preference Shares of ₹ 2/- each fully paid up to be issued in terms of Composite Scheme of Arrangement	-	-	0.96
	<b>TOTAL - SHARE CAPITAL</b>	<b>47.19</b>	<b>46.24</b>	<b>46.24</b>
<b>(a)</b>	<b>RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR</b>	<b>EQUITY SHARES</b>		
		<b>31.03.2017</b>	<b>31.03.2016</b>	<b>01.04.2015</b>
		<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
	Shares outstanding at the beginning of the Year (Face Value of ₹ 2/- each)	23,11,85,445		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 ₹ 2/- each) (Refer note no 36 and 39)	47,49,240	23,11,85,445	2,00,000
	Less : Cancellation of Equity Shares	-	-	2,50,000
	Shares outstanding at the end of the Year	23,59,34,685	23,11,85,445	-

**(b) 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 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 2017, 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.

**(c) EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER (Refer note no 36)**

Name of the Shareholder		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
JSL Overseas Holding Limited	No. of Shares	2,77,00,000	2,77,00,000	-
	% holding	11.74%	11.98%	0.00%
JSL Overseas Limited	No. of Shares	2,65,60,440	2,65,60,440	-
	% holding	11.26%	11.49%	0.00%
Citigroup Global Markets Mauritius Private Ltd.	No. of Shares	66,19,232	1,19,04,232	-
	% holding	2.81%	5.15%	0.00%
ELM Park Fund Limited	No. of Shares	1,31,07,160	-	-
	% holding	5.56%	0.00%	0.00%
Jindal Stainless Limited *	No. of Shares	-	-	2,50,000
	% holding	0.00%	0.00%	100%

\* 1500 shares 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 Capital suspense account (Refer note no 36)

**17A. Other Equity**

(₹ in Crore)

Particulars	Equity Earnings component of compound financial instruments	Reserves and Surplus			Items of Other Comprehensive Income	Attributable to Owners of the company	Attributable to Non-Controlling Interest
		Capital Reserve	Securities Premium Reserve	Retained Earnings			
<b>Balance as at 1st April, 2015(Refer Note No. 56)</b>	-	0.05	538.89	(37.96)	-	500.98	18.99
On Merger of Subsidiaries				0.88		0.88	(0.21)
Profit for the year 2015-16				36.46		36.46	(0.01)
Issued during the year (refer note 39)	25.00					25.00	
Share of Profit/(loss) from associates of subsidiary							(0.22)
Re-measurements of the net defined benefit Plans					(0.68)	(0.68)	(0.01)
<b>Balance as at 31st March, 2016</b>	<b>25.00</b>	<b>0.05</b>	<b>538.89</b>	<b>(0.62)</b>	<b>(0.68)</b>	<b>562.64</b>	<b>18.54</b>
Profit for the year 2016-17				286.86		286.86	3.83
Addition/ (Transfer) #	(25.00)		24.05			(0.95)	
Share of Profit/(loss) from associates of subsidiary							(0.47)
Re-measurements of the net defined benefit Plans					(2.68)	(2.68)	(0.08)
<b>Balance as at 31st March, 2017</b>	<b>-</b>	<b>0.05</b>	<b>562.94</b>	<b>286.24</b>	<b>(3.36)</b>	<b>845.87</b>	<b>21.82</b>

# Conversion of CCW in equity Shares (Refer Note No.39)

**Nature of Reserves**

**Capital Reserve:-** Represents on cancellation of share capital in terms of Composite Scheme of Arrangement

**Securities Premium Reserve :-** Represents the amount received in excess of par value of securities (Including amount recognised pursuant to Composite Scheme of Arrangement and Conversion of CCW refer Note No . 39). Premium on redemption of securities is accounted in security premium reserve available. Where security premium reserve is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium reserve.

**Other Comprehensive Income Reserve :-** Represents the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

(₹ in Crore)

Note No.	Description	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
		Non-Current	Current	Non-Current	Current	Non-Current	Current
<b>18</b>	<b>LONG-TERM BORROWINGS</b>						
	<b>SECURED</b>						
(a)	Rupee Term Loans From Banks	2,401.51	147.03	1,182.05	14.61	11.64	16.53
(b)	Car Loan from Banks	0.04	0.02	0.06	0.02	0.08	0.04
	<b>Total - Secured</b>	<b>2,401.55</b>	<b>147.05</b>	<b>1,182.11</b>	<b>14.63</b>	<b>11.72</b>	<b>16.57</b>
	<b>Unsecured</b>						
(c)	Loan from Other Party	33.50	-	29.47	-	36.70	-
	<b>TOTAL - UNSECURED</b>	<b>33.50</b>	<b>-</b>	<b>29.47</b>	<b>-</b>	<b>36.70</b>	<b>-</b>
	Less: Amount disclosed under the head other current financial liabilities		147.05		14.63		16.57
	<b>TOTAL - LONG TERM BORROWINGS</b>	<b>2,435.05</b>	<b>-</b>	<b>1,211.58</b>	<b>-</b>	<b>48.42</b>	<b>-</b>

**Secured Borrowings**

(i) The Company has executed a Rupee Term Loan Agreement ("RTL") dated March 23, 2016 of ₹ 2600.00 Crore ("Term Loan Facility") with a consortium of lenders. During the financial year, the Term Loan Facility was fully disbursed. The said Term Loan Facility from banks amounting to ₹ 2547.64 Crore (₹ 1183.54 Crore) are repayable in quarterly installments of ₹ 47.45 Crore each during 2017-18 (installment due on 1st April 2017 has been paid during the month of March 2017 to the extent of ₹ 43.67 Crore), ₹ 48.75 Crore each during 2018-19, ₹ 58.50 Crore each during 2019-20, ₹ 65.00 Crore each during 2020-21 and thereafter ₹ 71.50 Crore each from 2021-22 to 2026-27 (the excess amount paid of ₹ 0.46 Crore will be adjusted in last installment).

The Term Loan Facility is secured (charge created/to be created) by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets including finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable, etc both present and future. (Also read with Note no. 40).

Rupee term loan facility carries floating rate of interest linked with SBI base rate plus applicable spread of 165 bps. The lenders also have an option to link their effective rate of interest with their own bank's Base Rate and adjust the spread accordingly.

(ii) Term Loan amounting to ₹ Nil (₹ 1.44 Crore) (₹ 6.50 Crore) carries interest @ 13.50% p.a. 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.

(iii) Term Loan amounting to ₹ Nil Crore (₹ 1.94 Crore) (₹ 2.94 Crore) carries interest @ 14.50% p.a. The Loan is secured by way of Hypothecation over the cut to length machine.

(iv) Term Loan amounting to ₹ Nil Crore (₹ 7.43 Crore). (₹ 15.05 Crore) carries interest @ 14.00 % p.a. The loan is secured by subservient charge over current assets and movable fixed assets both present & future.

(v) Term loan ₹ 0.90 Crore (₹ 2.35 Crore) (₹ 3.85 Crore) is repayable in quarterly installments, as follows: June 2017 to September 2017, 2 installments of ₹ 0.37 Crore each & the last installment of ₹ 0.16 Crore. 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 there under and payable for the terms of the agreement.

(₹ in Crore)

Note No.	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>19</b>	<b>LONG TERM PROVISIONS</b>			
	For Employee Benefits	11.98	6.83	8.05
	<b>TOTAL - LONG TERM PROVISIONS</b>	<b>11.98</b>	<b>6.83</b>	<b>8.05</b>

(₹ in Crore)

Note No.	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>20</b>	<b>DEFERRED TAX LIABILITY (NET)</b>			
(a)	<b>DEFERRED TAX LIABILITY</b>			
	Difference between book & tax depreciable Assets	120.63	6.51	8.05
	Other Temporary Differences	4.65	-	-
	<b>Total Deferred Tax Liability</b>	<b>125.28</b>	<b>6.51</b>	<b>8.05</b>
(b)	<b>DEFERRED TAX ASSETS</b>			
	Disallowance under Income Tax Act	32.42	0.60	0.57
	Brought forward loss/Unabsorbed Depreciation	-	-	0.95
	<b>Total Deferred Tax Assets</b>	<b>32.42</b>	<b>0.60</b>	<b>1.52</b>
	<b>MAT CREDIT ENTITLEMENT</b>	<b>48.02</b>	<b>1.40</b>	<b>2.22</b>
	<b>DEFERRED TAX LIABILITY (NET)</b>	<b>44.84</b>	<b>4.51</b>	<b>4.31</b>

(₹ in Crore)

Note No.	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>21</b>	<b>CURRENT BORROWINGS</b>			
	<b>SECURED</b>			
(a)	Working Capital Facilities from Bank *	496.22	515.93	585.34
(b)	Buyer Credit in Foreign Currency - Against Working Capital *	404.75	232.36	371.84
	<b>TOTAL - SECURED</b>	<b>900.97</b>	<b>748.29</b>	<b>957.18</b>
	<b>UNSECURED</b>			
(c)	Loan from other parties	31.12	32.81	31.12
	<b>TOTAL - UNSECURED</b>	<b>31.12</b>	<b>32.81</b>	<b>31.12</b>
	<b>TOTAL -CURRENT BORROWINGS</b>	<b>932.09</b>	<b>781.10</b>	<b>988.30</b>

**Secured Borrowings**

\* Working Capital Facilities of Jindal Stainless Limited ceased w.e.f. 22.02.2017 to have security on the assets transferred in pursuant to Composite Scheme of Arrangement (Read with note no 36).

\* includes the amount of ₹ Nil (₹ 70.63 Crore) of working capital facilities and ₹ Nil (₹ 232.35 Crore) of buyer credit has been allocated by Jindal Stainless Limited pursuant to Composite Scheme of Arrangement (read with note no 36) pending confirmation from the respective banks.

(a) Working Capital Facilities are secured (charge created/to be created) by first pari-passu charge by way of hypothecation and/or pledge of current assets including finished goods, raw material, work in progress, consumable stores and spares, book debts, bill receivable, etc both present and future and by way of second charge in respect of other moveable and immovable properties, both present and future, of the Company. Working Capital Facility is repayable on demand. (Also read with Note no. 40)

(b) Buyer Credit Facility are secured (charge created/to be created) by first pari-passu charge by way of hypothecation and/or pledge of current assets including finished goods, raw material, work in progress, consumable stores and spares, book debts, bill receivable, etc both present and future and by way of second charge in respect of other moveable and immovable properties, both present and future, of the Company. (Also read with Note no. 40)



(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>22</b>	<b>TRADE PAYABLES</b>			
	Micro and Small enterprises	3.00	2.08	2.32
	Trade Payables (including Acceptances)	1,635.91	1,082.20	1,531.98
	<b>TOTAL TRADE PAYABLES</b>	<b>1,638.91</b>	<b>1,084.28</b>	<b>1,534.30</b>

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

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Principal amount due outstanding	0.13	0.05	0.11
Interest due on (1) above and unpaid	-	-	-
Interest paid to the supplier	-	-	-
Payments made to the supplier beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding year	-	-	-

\* to the extent information available with the company.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>23</b>	<b>OTHER CURRENT FINANCIAL LIABILITIES</b>			
	Current maturities of Non-Current Borrowings	147.05	14.63	16.57
	Interest accrued	6.21	4.48	5.49
	Capital Payables	29.79	8.34	8.54
	Derivative Financial Liabilities	0.39	3.93	0.77
	Security deposit	2.65	0.82	0.76
	Due to employees	14.51	1.22	25.60
	Amount Payable in terms of Composite Scheme of Arrangement @	-	1,415.07	2,600.00
	Other Outstanding Liabilities *	153.82	71.15	99.07
	<b>TOTAL - OTHER CURRENT FINANCIAL LIABILITIES</b>	<b>354.42</b>	<b>1,519.64</b>	<b>2,756.80</b>

@ Refer note no 36

\* Includes Provision for Expenses

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>24</b>	<b>OTHER CURRENT LIABILITIES</b>			
	Advance from Customers	57.73	55.10	59.28
	Other Outstanding Liabilities *	255.73	238.22	225.61
	<b>TOTAL - OTHER CURRENT LIABILITIES</b>	<b>313.46</b>	<b>293.32</b>	<b>284.89</b>

\* Includes Statutory Dues , provision for excise duty on closing stock, arbitration liability etc.

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>25</b>	<b>CURRENT PROVISIONS</b>			
	For Employee Benefits	10.70	8.59	4.45
	<b>TOTAL - CURRENT PROVISIONS</b>	<b>10.70</b>	<b>8.59</b>	<b>4.45</b>

(₹ in Crore)

Note No	Description	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>26</b>	<b>CURRENT TAX LIABILITIES (NET)</b>			
	Current Tax Liabilities	31.23	0.07	1.21
	<b>TOTAL - CURRENT TAX LIABILITIES (NET)</b>	<b>31.23</b>	<b>0.07</b>	<b>1.21</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>27</b>	<b>REVENUE FROM OPERATIONS</b>		
(a)	<b>SALE OF PRODUCTS</b>		
	Finished Goods (Net of Discount ₹ 76.43 Crore (₹ 54.57 Crore))	8,191.41	7,789.18
	Semi - Finished Goods	1.60	0.57
	Trading Goods	213.80	106.12
	Export Benefits	50.04	27.06
		<b>8,456.85</b>	<b>7,922.92</b>
(b)	<b>SALE OF SERVICES</b>		
	Job Charges received	44.95	26.87
		<b>44.95</b>	<b>26.87</b>
(c)	<b>OTHER OPERATING REVENUE</b>		
	Sale of Gases / Slag	11.11	11.12
	Provision for Doubtful Debts/Advances reversed	9.50	0.84
	Miscellaneous Income	13.78	29.69
		<b>34.39</b>	<b>41.65</b>
	<b>TOTAL REVENUE FROM OPERATIONS</b>	<b>8,536.19</b>	<b>7,991.45</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>28</b>	<b>OTHER INCOME</b>		
(a)	<b>INTEREST INCOME ON</b>		
	Loan & Advances	51.65	3.26
	Trade Receivable	6.47	15.57
		<b>58.12</b>	<b>18.83</b>
(b)	<b>OTHER NON-OPERATING INCOME (NET)</b>	<b>6.88</b>	<b>6.91</b>
	<b>TOTAL - OTHER INCOME</b>	<b>65.00</b>	<b>25.74</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
29	<b>COST OF MATERIAL CONSUMED</b>		
	Raw Material Consumed	4,974.51	4,560.43
	<b>TOTAL COST OF MATERIAL CONSUMED</b>	<b>4,974.51</b>	<b>4,560.43</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
30	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS</b>		
	<b>OPENING STOCK</b>		
	Finished Goods	429.52	577.95
	Work in Progress	376.54	438.11
	Scrap	23.54	28.03
	Trading Goods	0.35	0.35
	<b>TOTAL OPENING STOCK</b>	<b>829.95</b>	<b>1,044.44</b>
	Less : Transferred (Note no 36(1)(e))	-	38.78
	<b>CLOSING STOCK</b>		
	Finished Goods	591.77	429.52
	Work in Progress	397.49	376.54
	Scrap	27.23	23.54
	Trading Goods	-	0.35
	<b>TOTAL CLOSING STOCK</b>	<b>1,016.49</b>	<b>829.95</b>
	Excise Duty on account of increase/(decrease) in Stock of Finished Products	9.70	(8.29)
	<b>TOTAL - CHANGES IN INVENTORIES</b>	<b>(176.84)</b>	<b>167.42</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
31	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	Salaries, Wages, Bonus and Other benefits	158.97	158.65
	Contribution to provident and other funds	8.15	8.08
	Staff Welfare Expenses	8.98	9.11
	<b>TOTAL - EMPLOYEE BENEFITS EXPENSES</b>	<b>176.10</b>	<b>175.84</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
32	<b>FINANCE COSTS</b>		
	Interest Expenses	400.75	469.48
	Other Borrowing Costs	30.66	23.87
	<b>TOTAL - FINANCE COSTS</b>	<b>431.41</b>	<b>493.35</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
33	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		
	Depreciation on Property, Plant and Equipment	278.36	298.40
	Amortization of Intangible assets	6.87	6.41
	<b>TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES</b>	<b>285.23</b>	<b>304.81</b>

(₹ in Crore)

Note No	Description	For the year ended 31.03.2017	For the year ended 31.03.2016
34	<b>OTHER EXPENSES</b>		
(a)	<b>MANUFACTURING EXPENSES</b>		
	Consumption of Stores and Spare parts	435.19	431.28
	Power and Fuel	633.78	623.78
	Labour Processing & Transportation Charges	76.59	63.44
	Repairs to buildings	1.68	1.07
	Repairs to plant & machinery	20.71	19.71
	Job work expenses	137.04	17.66
	Other Manufacturing Expenses	45.73	39.94
		<b>1,350.72</b>	<b>1,196.88</b>
(b)	<b>ADMINISTRATIVE EXPENSES</b>		
	Insurance	8.63	9.29
	Rent	5.90	5.48
	Lease Rent	-	0.05
	Rates and Taxes	0.85	8.63
	Legal and Professional	39.11	25.51
	Postage, Telegram, Telex and Telephone	2.91	3.08
	Printing & Stationary	3.53	3.34
	Travelling & Conveyance	6.19	7.55
	Managerial Commission	13.42	0.61
	Director' Meeting Fees	0.14	0.06
	Vehicle Upkeep and Maintenance	5.33	5.78
	Auditor's Remuneration	0.57	0.92
	Donation	0.63	0.62
	Mine Development Expenditure w/off	-	1.93
	Net (Gain)/Loss on sale/discard of Property, Plant and Equipment	2.12	0.38
	Miscellaneous Expenses	10.30	13.91
		<b>99.63</b>	<b>87.14</b>
(c)	<b>SELLING EXPENSES</b>		
	Freight & Forwarding Expenses	95.21	81.34
	Commission on Sales	26.68	21.45
	Other Selling Expenses	6.47	3.78
	Provision for Doubtful Debts / Advances	4.20	0.26
	Bad Debts/Allowance	30.94	1.37
	Advertisement & Publicity	2.31	2.91
		<b>165.81</b>	<b>111.11</b>
	<b>TOTAL - OTHER EXPENSES</b>	<b>1,616.16</b>	<b>1,395.13</b>
	Net (Gain) / Loss on Sale/disposal of Property, Plant and Equipment Includes :		
	Gain on Sale	(0.03)	(0.74)
	Loss on Sale	0.30	0.10
	Loss on Discard	1.85	1.02
		<b>2.12</b>	<b>0.38</b>

**35.**

(₹ In Crore)

A. Contingent Liabilities to the extend not provided for	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
a) Guarantees given by the Group's Bankers on behalf of the Group	18.28	102.28	21.85
b) Corporate Guarantee given to banks against Credit facilities / Financial assistance availed by Jindal Stainless Limited. (Read with Note No. 36 )	5,194.27	9,929.92	-
c) Letter of Credit outstanding	344.38	267.00	488.55
d) Bills discounted with Banks	290.61	215.10	436.47
e) i) Sale Tax demands against which company preferred appeals.	0.49	0.45	0.45
ii) Excise Duty/Custom/Service Tax/Cess/Royalty Show Cause Notices/ Demands against which company has preferred appeals.	77.77	78.63	86.85
iii) Income Tax Demands against which company has preferred appeals		-	0.28
iv) Claims and other liabilities against the company not acknowledged as debt.	47.93	55.89	78.11
B Custom duty saved on Guarantee given to the custom authorities for import under EPCG Scheme	13.25	7.04	11.40
C Letter of Comfort to banks against credit facilities/financial assistance availed by subsidiaries.	103.41	137.18	196.46

**Note:-Contingent liability in respect of Associates (Refer Note No. 55)**
**36. Composite Scheme of Arrangement**

A Composite Scheme of Arrangement (herein 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 Sec 100-103 of the Companies Act, 1956 and other relevant provision of Companies Act, 1956 and / or Companies Act, 2013 has been sanctioned by the Hon'ble High Court of Punjab & Haryana, Chandigarh vide its Order dated 21st September 2015, modified by order dated 12th October, 2015.

Pursuant to the Section I and Section II of the Scheme becoming effective on 1st November, 2015 w.e.f. appointed date i.e. close of business hours before midnight of March 31, 2014:

- During the year, against amount of ₹ 366.19 Crore appearing as on 31st March, 2016 under head "Equity Shares Pending Allotment", JSL has allotted 16, 82, 84,309 no. of fully paid up equity shares of ₹ 2/- each @ ₹ 21.76 per share (including premium of ₹ 19.76 per share) on 3rd July 2016.
  - During the year, ₹ 2600 Crore payable to JSL has been fully paid off.
  - In terms of the Scheme, all the business and activities of Demerged Undertakings and Business Undertaking 1 (as referred in the Scheme) carried on by JSL on and after the appointed date, as stated above till 1st November, 2015, are deemed to have been carried on behalf of the Company.
  - 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.
  - While according its approval for transfer/right to use of the land, Government of Odisha, Department of steel & mines vide letter dated 16th August 2016, had put a condition that Section I & II of the Scheme will not be carried out in so far as the mining lease of the Company is concerned; accordingly transfer to the Mining Rights to Demerged Undertaking (as referred in the Scheme) (Demerged undertaking transferred to Company) is not been given effect, consequently:- (i) all mining activities in relation to the Mining Rights continue to be carried out by the JSL; and (ii) all assets (excluding fixed assets) and liabilities (including contingent liabilities) in relation to the Mining Rights continue to be recorded in the books of JSL; and (iii) all revenue and net profit; post 1st November 2015 on section I & II of the scheme becoming effective are recorded in the books of JSL.
37. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 57.78 Crore (as on 31.03.2016 ₹43.57 Crore) (as on 01.04.2015 ₹24.76 Crore).
- Exceptional items includes Gain/ (Loss) (net) of ₹ 45.27 Crore {(₹35.84 Crore)} on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of ₹3.54 Crore { (₹3.17 Crore)} upon marked to market of derivatives contracts, gain/(loss) of (₹1.56 Crore) {₹13.24 Crore} on forward cover cancellation.
  - Exceptional items includes amount written off/ provided for of ₹ NIL (₹ 18.40 Crore) (including provision of ₹ 0.33 Crore )being non recoverable from certain parties.
  - Exceptional items includes ₹ 18.98 Crore (₹ Nil) on account of provision against FSA charges for earlier periods provided in view of the decision of Hon'ble Supreme Court.

39. On 30th March, 2016, the Company has issued and allotted 12, 50, 00,000 number Compulsory Convertible Warrants (CCW) of ₹2/- each to promoter group entities on preferential basis for the purpose to infuse funds by promoters in terms of sanction letter dated 23rd November 2015 by State Bank of India.

During the year against the stated CCW, the Company has allotted 47,49,240 Nos. fully paid up equity shares of ₹ 2/- each @ ₹ 52.64 per share (including premium of ₹ 50.64 per share) on 2nd September 2016. The amount raised has been used for the purpose for which the funds were raised.

40. The Term Loan Facility and Working Capital Facility (including Buyers' Credit) of the Company are/will also be secured by the following additional securities:

- Unconditional & irrevocable personal guarantee of Mr. Ratan Jindal;
- Unconditional & irrevocable corporate guarantee of Jindal Stainless limited (JSL);
- Pledge of 87.7% of Promoter's shareholding, as determined on the basis of the filings of the Borrower with the Securities Exchange Board of India (SEBI);
- Pledge of 2, 06, 98,970 shares of JSL (out of 16, 82, 84,309 shares) held by the Company in favour of lenders of the Company. For balance 14,75,85,339 shares, a Non-Disposal Undertaking (NDU) has been given in favour of lenders of JSL, pending full implementation of asset monetization plan approved by the empowered group of corporate debt restructuring lenders of JSL vide their letter dated December 26, 2014.
- Pledge over investments of the Company in subsidiaries as listed below:
  - JSL Lifestyle Limited; and
  - JSL Logistics Limited
- Certain conditions, modification and creation of security of the Term Loan Facility and Working Capital Facility (including Buyers' Credit) are in process of compliance/Confirmation.

41. 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 March 31, 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 ₹1,89,12,411/- has not been provided for.

42. Certain balances of trade receivable, loan & advance, trade payable, income tax (including MAT) and other liabilities are subject to confirmation and/or reconciliation.

43. The Company had challenged the legality of LADT Act / Entry Tax Act in the state of Haryana in the Hon'ble Punjab and Haryana High Court / Supreme Court of India. On 16.04.2010, the Entry tax matters of the states had been referred to larger 9-judges Constitutional Bench of the Hon'ble Supreme Court of India. The 9 judges bench while holding the constitutional validity of entry tax, has, vide its Order dated 11th November 2016, referred the same to divisional/ regular benches for testing and determination of the Article 304 (a) of the Constitution vis a vis state legislation and levy of entry tax on goods entering the landmass of India from another country. The Company has been making necessary provisions in this regard. Interest/ penalty if any, will be accounted for as and when this is finally settled/ determined by the Regular Benches hearing the matters, where the appropriate proceedings are continuing.

44. Green Delhi BQS Limited has taken unsecured loan from certain companies, aggregating to ₹ 79.52 Crore/- outstanding as on March 31, 2017 (Inclusive of interest credited till March 31, 2012). The Company is not able to service interest liability due to insufficient cash flow/-ve net worth of the Company. The Company has negotiated said Companies for waiver of interest liability with an assurance to pay the principal liability after the outcome of the Arbitration Proceedings, which is likely to be decided during the next financial year.

**45. Financial Risk Management**
**45.1 Financial Risk Factors**

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group has loan, investment, trade receivables, other receivables, cash and short-term deposits that arise directly from its operations. The Group also enters into derivative transactions. The Group's activities expose it to a variety of financial risks:

**i) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at March 31, 2017 and March 31, 2016 and April 1 2015.



**ii) Credit Risk**

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

**iii) Liquidity Risk.**

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

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures. The Group does not acquire or issue derivative financial instruments for trading or speculative purposes.

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

**i) Market Risk**

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Group uses derivative financial instruments such as foreign exchange forward contracts depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

**Foreign exchange risk and sensitivity**

An Exposure can be defined as a Contracted Cash Flow (Trade Receivable, Trade Payable, loan, purchase order placed or sales order received) denominated in a currency other than Indian Rupees. The Group may have foreign currency exposure on account of the following items:

**Exposure against Working capital –**

- i) Export Trade Receivables and export sales orders received;
- ii) Imports Trade Payables and purchase orders raised;
- iii) Buyer's credit against trade payables;
- iv) Packing credit in foreign currency (PCFC);
- v) Borrowings against FCNR(B) deposits of the banks;
- vi) Advances from customers;
- vii) Any other kind of foreign currency borrowings as permitted by RBI for financing working capital of the Group.
- viii) Exposure against long term financing/relating to projects:
  - i. Foreign Currency Borrowings for capital and project expansion;
  - ii. Buyer's credit against capital goods;
  - iii. Payments due against imported capital equipment for projects;
  - iv. Purchase orders for capital expenditure;
  - v. Any kind of foreign currency borrowing used for long term financing requirements of the Group.

**Derivatives Financial Instruments**

Derivative contracts entered into by the Group and outstanding as on 31st March, 2017 for hedging currency risks:

As at 31st March'2017

(₹ In Crore)

Nature of Derivative	Type	No. of Contracts	Foreign Currency (Million)	Amount
<b>Forward Covers</b>				
USD/INR	Sale	27	18.363	119.09
EURO/USD	Sale	37	32.374	223.72
USD/INR	Buy	186	84.017	544.81

As at 31st March' 2016

(₹ In Crore)

Nature of Derivative	Type	No. of Contracts	Foreign Currency (Million)	Amount
<b>Forward Covers</b>				
USD/INR	Sale	40	42.300	280.28
EURO/USD	Sale	22	22.544	170.02
USD/INR	Buy	172	45.567	301.88

As at 1st April' 2015

(₹ In Crore)

Nature of Derivative	Type	No. of Contracts	Foreign Currency (Million)	Amount
<b>Forward Covers</b>				
USD/INR	Sale	50	80.332	502.11
EURO/USD	Sale	47	63.198	423.94
USD/INR	Buy	260	119.938	749.55

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.

Foreign Currency exposures that are not hedged by derivative instruments or otherwise outstanding as on 31st March, 2017 is as under:

(₹ In Crore)

Nature	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Foreign Currency (Million)	Amount	Foreign Currency (Million)	Amount	Foreign Currency (Million)	Amount
<b>Account Receivable</b>						
USD	11.04	71.58	3.17	21.00	1.95	12.18
<b>Account Payable</b>						
USD	38.79	251.56	3.73	24.69	18.85	117.84
EURO	0.85	5.89	0.86	6.48	1.43	9.60
CAD	0.02	0.12	0.02	0.12	0.02	1.18
<b>Loans</b>						
USD	16.19	104.98	1.14	7.56	1.14	7.13

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

**Foreign exchange risk and sensitivity (Un Hedged)**

For the year ended March 31, 2017

(₹ In Crore)

Particulars	Change in currency exchange rate	Effect on profit/ (loss) before tax	
		31st March, 2017	31st March, 2016
USD	+5%	(14.25)	(0.56)
	-5%	14.25	0.56
EURO	+5%	(0.29)	(0.32)
	-5%	0.29	0.32
CAD	+5%	(0.01)	(0.01)
	-5%	0.01	0.01

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

The Group transacts business primarily in Indian Rupee, USD, EURO, and CAD. The Group has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Group act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. Summary Of Exchange Difference Accounted In Statement Of Profit And Loss:

(₹ In Crore)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Currency Fluctuations		
Net foreign exchange (gain) / losses shown as exceptional item	(47.25)	25.77
<b>TOTAL</b>	<b>(47.25)</b>	<b>25.77</b>

## Interest rate risk and sensitivity

The Group will have Interest rate exposure on all interest bearing financial assets and liabilities. These could be broadly categorized as under:

- Interest bearing Trade Receivables and Trade Payables;
- Working capital borrowings;
- Long term borrowings.

All interest bearing assets and liabilities need to be captured, first based on the currency denomination e.g., INR, USD. Further classification needs to be done based on whether these are against floating rate benchmarks or fixed rate

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of borrowings and borrowings on which interest rate swaps are taken.

## For the Year ended 31 March 2017

(₹ In Crore)

Particulars	Increase /Decrease in Basis Points	Effect on Profit / (Loss) Before Tax 31st March, 2017	Effect on Profit / (Loss) Before Tax 31st March, 2016
INR Borrowings	+50	(14.66)	(8.44)
	-50	14.66	8.44
USD Borrowings	+50	(2.51)	(1.16)
	-50	2.51	1.16

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

## Price risk and sensitivity

The Group is exposed to the movement in price of key raw materials in domestic and international markets. The Group has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Group enters into contracts for procurement of material, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

The Group is not facing any exposure to equity price risk as all of its equity investments are within the group and its associates.

## ii) Credit Risk

The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

## Trade Receivables

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. Outstanding Trade receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Group has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

## Financial instruments and cash deposits

The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The bank balances are maintained with the institutions with which the Group has also availed borrowings.

The Group does not maintain significant cash and deposit balances other than those required for its day to day operations

## iii) Liquidity Risk

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

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

The Group is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders, except where exemption is provided by lender.

## For the Year ended 31 March 2017

(₹ In Crore)

Particulars	Carrying Amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	3514.19	1079.15	716.84	1718.20	3514.19
Other Financial liabilities	207.37	207.37	-	-	207.37
Trade payables	1638.91	1638.91	-	-	1638.91
<b>Total</b>	<b>5360.47</b>	<b>2925.43</b>	<b>716.84</b>	<b>1718.20</b>	<b>5360.47</b>

\* Including Current Maturity.

## For the Year ended 31 March 2016

(₹ In Crore)

Particulars	Carrying Amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	2007.31	795.73	312.17	899.41	2007.31
Other Financial liabilities	1505.01	1505.01	-	-	1505.01
Trade payables	1084.28	1084.28	-	-	1084.28
<b>Total</b>	<b>4596.60</b>	<b>3385.02</b>	<b>312.17</b>	<b>899.41</b>	<b>4596.60</b>

\* Including Current Maturity.

## As at 1st April' 2015

(₹ In Crore)

Particulars	Carrying Amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	1053.29	1004.87	48.18	0.24	1053.29
Other Financial liabilities	2740.23	2740.23	-	-	2740.23
Trade payables	1534.30	1534.30	-	-	1534.30
<b>Total</b>	<b>5327.82</b>	<b>5279.40</b>	<b>48.18</b>	<b>0.24</b>	<b>5327.82</b>

\* Including Current Maturity.

## Unused Lines of Credit

(₹ In Crore)

Particulars	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
Secured	159.35	153.51	7.07
Unsecured	-	-	-
<b>Total</b>	<b>159.35</b>	<b>153.51</b>	<b>7.07</b>

## Interest rate and currency of borrowings

The below details do not necessarily represent foreign currency or interest rate exposure to the income statement, since the Group has taken derivatives for offsetting the foreign currency and interest rate exposure.

## For the Year ended 31 March 2017

(₹ In Crore)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted average interest rate (%)
INR	3,004.47	2,931.50	72.97	10.83%
USD	509.72	502.33	7.39	2.00%
<b>Total as at March 31, 2017</b>	<b>3,514.19</b>	<b>3,433.83</b>	<b>80.36</b>	

For the Year ended 31 March 2016

(₹ In Crore)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted average interest rate (%)
INR	1,767.39	1,688.12	79.27	10.93%
USD	239.92	232.36	7.56	1.26%
<b>Total as at March 31, 2016</b>	<b>2,007.31</b>	<b>1,920.48</b>	<b>86.83</b>	

**45.2 Competition and Price Risk**

The Group faces competition from domestic and international competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products and trustworthy and innovative solution to meet the needs of its customers.

**45.3 Capital Risk Management**

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, redeem or buy back capital to shareholders or issue new shares. The Group's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Group's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Group also proposes to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Group's capital management, capital includes issued capital, compulsorily convertible debentures, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits, excluding discontinued operations.

The Group monitors capital using gearing ratio, which is net debt divided by total capital.

**Gearing Ratio**

(₹ In Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Loans and borrowings	3514.19	2007.31	1053.29
Less: cash and cash equivalents	8.06	16.75	9.99
Net debt	3506.13	1990.56	1043.30
Total capital	893.06	608.88	547.22
Capital and net debt	4399.19	2599.44	1590.62
Gearing ratio	80%	77%	66%

**46. (A) Fair values of financial assets and liabilities and hierarchy**

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Group is considered to be insignificant in valuation.
- 3) The fair values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters, basis contractual terms, period to maturity, and market parameters such as interest rates, foreign exchange rates, and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgment, and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

**Fair Value Hierarchy**

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

Level 1- Quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2- Inputs other than quoted prices include within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3- Unobservable inputs for the asset or liability.

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies: -

(₹ In Crore)

Particulars	Note No.	Level	Carrying amount/Fair Value			Valuation Techniques and Key Inputs
			As at 31st March, 2017	As at 31st March, 2016	As at April 1, 2015	
<b>Financial assets /Liabilities at fair value through amortised cost:</b>						
<b>(a) Financial assets</b>						
Loans	5&13	3	485.00	207.57	26.44	Discounted Cash Flow
Other financial assets	6 &14	3	130.39	106.97	98.98	Discounted cash flow
<b>(b) Financial Liabilities</b>						
Borrowings - Non-current	18	3	2435.05	1211.58	48.42	Discounted cash flow
Borrowings- Current	21	3	932.09	781.10	988.30	Discounted cash flow
Other financial liabilities	23	3	354.03	1515.71	2756.03	Discounted cash flow
<b>Financial Liabilities at fair value through Statement of profit or loss:</b>						
Derivative Forward Contract	23	2	0.39	3.93	0.77	Forward foreign currency exchange rate

There were no significant changes in the classification and no significant movements between the fair value hierarchy of assets and liabilities during FY 2016-17.

**Fair Valuation of Financial Guarantees**

Financial guarantees issued by the company on behalf of Jindal Stainless Limited have been measured at fair value through profit and loss account. Fair value of said guarantees as at March 31, 2017 and March 31, 2016 have been considered at nil as estimated by the management and an independent professional.

46. (B) The Company has made investment in an associate in terms of composite scheme of arrangements approved by Hon'ble High Court (Read with Note No. 36) where the prices of equity shares are determined as per pricing formula provided under chapter VII of SEBI (ICDR) Regulation 2009.

**47. Standards issued but not yet effective**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Company from April 1, 2017.

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

The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.



**48 Related Party Transactions (as identified by the Management)**

A. As defined in Indian Accounting Standard-24, The Group has related parties with whom transactions have taken place during the year and previous year, which are:

	Ownership Interest			
	Country of Incorporation	31st March 2017	31st March 2016	1st April 2015
<b>a) Associates</b>				
1 Jindal Stainless Corporate Management Services Pvt. Ltd. ( w.e.f. 2.11.2015)	INDIA	50.00%	50.00%	0.00%
2 Jindal Stainless Limited ( w.e.f. 3.07.2016)	INDIA	42.13%	0.00%	0.00%
3 J S S SteelItalia Limited	INDIA	33.00%	33.00%	33.00%
<b>b) Subsidiaries and Joint Venture of Parties listed in (a) above</b>				
1 Jindal Stainless UK Ltd. ( w.e.f. 3.07.2016)	UK			
2 Jindal Stainless FZE ( w.e.f. 3.07.2016)	UAE			
3 PT Jindal Stainless Indonesia ( w.e.f. 3.07.2016)	Indonesia			
4 Iberjindal S.I. ( w.e.f. 3.07.2016)	Spain			
5 JSL Group Holding Pte. Ltd. (w.e.f. 03.07.2016)	Singapore			
<b>c) Trust :</b>				
1 Jindal Stainless (Hisar) Limited Group Gratuity Fund				
2 Jindal Stainless (Hisar) Limited (Ferro alloys) Group Gratuity Scheme				
3 Jindal Stainless (Hisar) Limited EPF Trust				
4 Jindal Stainless (Hisar) Welfare Fund				

**d) Key Management Personnel :**

1 Mr. Ratan Jindal	Chairman-Jindal Stainless (Hisar) Limited
2 Smt. Deepika Jindal	Managing Director-JSL Lifestyle Limited
3 Mr. Ashok Kumar Gupta	Whole Time Director (appointed w.e.f 2nd November, 2015)-Jindal Stainless (Hisar) Limited
4 Mr. Jagmohan Sood	COO & Unit Head, Hisar Plant (appointed w.e.f 1st April, 2016)-Jindal Stainless (Hisar) Limited
5 Mr. Ankur Agrawal	Chief Financial Officer (appointed w.e.f 2nd November, 2015)-Jindal Stainless (Hisar) Limited
6 Mr. Bhartendu Harit	Company Secretary (appointed w.e.f 2nd November, 2015)-Jindal Stainless (Hisar) Limited
7 Shri Anuj Jain	Whole Time Director (resigned w.e.f 30th September, 2016)-JSL Lifestyle Limited
8 Mr. Tomy Sebastian	Whole Time Director (appointed w.e.f 15th November, 2016)-JSL Lifestyle Limited
9 Shri Kuldeep Chander	Whole Time Director (resigned w.e.f 17th December, 2016)-JSL Lifestyle Limited
10 Shri Harender Singh	Chief Financial Officer (resigned w.e.f 1st August, 2016)-JSL Lifestyle Limited
11 Shri Rajiv Kumar Agarwal	Company Secretary (resigned w.e.f 19th September, 2016)-JSL Lifestyle Limited
12 Shri Tarun Jain	Chief Financial Officer (appointed w.e.f 1st August, 2016)-JSL Lifestyle Limited
13 Mr. Ajay Kumar	Whole Time Director (resigned w.e.f 30th April, 2016)-Jindal Stainless Steelway Limited
14 Mr. Ashish Aggarwal	Whole Time Director (appointed w.e.f 1st July, 2016)-Jindal Stainless Steelway Limited
15 Mr. Sanjeev Sharma	Chief Financial Officer -Jindal Stainless Steelway Limited
16 Mr. Rajesh Kumar Pandey	Company Secretary -Jindal Stainless Steelway Limited

**B Transactions :**

(₹ in Crore)

Description	For the Year ended 31.03.2017		For the Year ended 31.03.2016	
	Associates & Other Parties (a,b & c)	Key Management Personnels (d)	Associates & Other Parties (a,b & c)	Key Management Personnels (d)
<b>Purchase of Goods</b>	<b>1,370.11</b>	-	<b>0.91</b>	-
PT. Jindal Stainless Indonesia	11.87	-	-	-
J S S Steel Italia Limited	0.87	-	0.72	-
Jindal Stainless Limited	1,357.37	-	0.19	-
<b>Sale of Goods</b>	<b>493.31</b>	-	<b>97.27</b>	-
PT. Jindal Stainless Indonesia	115.98	-	-	-
J S S Steel Italia Limited	23.53	-	96.78	-
Iberjindal S.I.	83.83	-	-	-
Jindal Stainless Limited	269.24	-	0.48	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.73	-	0.01	-
<b>Job Charges Received</b>	<b>30.87</b>	-	-	-
Jindal Stainless Limited	30.87	-	-	-
<b>Job Work Charges Paid</b>	<b>77.07</b>	-	-	-
Jindal Stainless Limited	77.07	-	-	-
<b>Freight charges received</b>	<b>0.24</b>	-	-	-
Jindal Stainless Limited	0.24	-	-	-
<b>Rent Received</b>	<b>0.98</b>	-	-	-
Jindal Stainless Limited	0.98	-	-	-
<b>Rent Paid</b>	<b>0.50</b>	-	-	-
Jindal Stainless Limited	0.50	-	-	-
<b>Overheads &amp; Maintenance Charges Received</b>	<b>0.11</b>	-	-	-
Jindal Stainless Limited	0.11	-	-	-
<b>Overheads &amp; Maintenance Charges Paid</b>	<b>4.74</b>	-	-	-
Jindal Stainless Limited	4.74	-	-	-
<b>Commission on Sale Paid</b>	<b>1.70</b>	-	-	-
Jindal Stainless FZE, Dubai	1.47	-	-	-
Jindal Stainless UK Ltd.	0.23	-	-	-

(₹ in Crore)

Description	For the Year ended 31.03.2017		For the Year ended 31.03.2016	
	Associates & Other Parties (a,b & c)	Key Management Personnels (d)	Associates & Other Parties (a,b & c)	Key Management Personnels (d)
<b>Receiving of Services (Remuneration paid)</b>	-	<b>22.14</b>	-	<b>5.56</b>
Mr. Ratan Jindal (commission)	-	13.42	-	0.61
Mr. Ashok Kumar Gupta	-	2.53	-	0.82
Mr. Jagmohan Sood	-	0.95	-	-
Mr. Ankur Agrawal	-	0.64	-	0.22
Mr. Bhartendu Harit	-	0.22	-	0.07
Mrs. Deepika Jindal	-	0.91	-	1.18
Mr. Anuj Jain	-	1.14	-	1.08
Mr. Tomy Sebastian	-	0.32	-	-
Mr. Kuldeep Chander	-	0.27	-	0.23
Mr. Harender Singh	-	0.25	-	0.24
Mr. Rajiv Kumar Agarwal	-	0.09	-	0.11
Mr. Tarun Jain	-	0.20	-	-
Mr. Ajay Kumar	-	0.24	-	0.57
Mr. Ashish Aggarwal	-	0.46	-	-
Mr. Sanjeev Sharma	-	0.40	-	0.35
Mr. Rajesh Kumar Pandey	-	0.10	-	0.08
<b>Interest Received</b>	<b>43.70</b>	-	-	-
Jindal Stainless Limited	43.70	-	-	-
<b>Consultancy Charges Paid</b>	<b>28.05</b>	-	<b>8.96</b>	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	28.05	-	8.96	-
<b>Sharing of Exp. Reimbursed/to be Reimbursed</b>	<b>4.29</b>	-	<b>0.12</b>	-
Jindal Stainless Limited	3.88	-	-	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.41	-	0.12	-
<b>Sharing of Exp Recovered/to be Recovered</b>	<b>1.08</b>	-	<b>0.78</b>	-
PT. Jindal Stainless Indonesia	0.16	-	-	-
J S S Steel Italia Limited	0.02	-	0.21	-
Jindal Stainless Limited	0.65	-	0.15	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.25	-	0.42	-
<b>Loans &amp; Advances Given</b>	<b>292.34</b>	-	-	-
Jindal Stainless Limited	292.34	-	-	-
<b>Contribution Towards Trusts</b>	<b>19.62</b>	-	<b>20.45</b>	-
Jindal Stainless (Hisar) Limited Group Gratuity Fund	0.28	-	-	-
Jindal Stainless (Hisar) Limited (Ferro alloys) Group Gratuity Scheme	0.02	-	0.30	-
Jindal Stainless (Hisar) Limited EPF Trust	18.70	-	19.46	-
Jindal Stainless (Hisar) Welfare Fund	0.62	-	0.69	-

(₹ in Crore)

Description	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Associates & Other Parties (a,b & c)	Key Management Personnels (d)	Associates & Other Parties (a,b & c)	Key Management Personnels (d)	Associates & Other Parties (a,b & c)	Key Management Personnels (d)
<b>Outstanding Balance</b>						
<b>Guarantee/ Counter Guarantee Given</b>	<b>5,194.27</b>	-	-	-	-	-
Jindal Stainless Limited	5,194.27	-	-	-	-	-
<b>Loans &amp; Advances</b>	<b>711.00</b>	-	-	-	-	-
Jindal Stainless Limited @	711.00	-	-	-	-	-
<b>Receivables</b>	<b>291.93</b>	-	<b>17.43</b>	-	<b>18.02</b>	-
J S S Steel Italia Limited	20.03	-	17.42	-	18.02	-
PT. Jindal Stainless Indonesia	91.08	-	-	-	0.00	-
Iberjindal S.I.	31.91	-	-	-	-	-
Jindal Stainless Limited	148.22	-	-	-	-	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.69	-	0.01	-	-	-
<b>Payables</b>	<b>78.96</b>	-	<b>5.18</b>	-	<b>0.13</b>	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	4.63	-	4.62	-	-	-
J S S Steel Italia Limited	-	-	0.56	-	0.13	-
Jindal Stainless Limited	72.52	-	-	-	-	-
Others	1.81	-	-	-	-	-
<b>Remuneration payable</b>	-	<b>14.05</b>	-	<b>0.68</b>	-	-
Mr. Ratan Jindal	-	13.42	-	0.61	-	-
Mr. Ashok Kumar Gupta	-	0.45	-	0.06	-	-
Mr. Jagmohan Sood	-	0.09	-	-	-	-
Mr. Ankur Agrawal	-	0.07	-	0.01	-	-
Mr. Bhartendu Harit	-	0.02	-	0.00	-	-

Above to read with note no. 35(b)

@ Includes inter corporate deposit amounting to ₹ 485 Crore ( ₹ 192.66 Crore) which is repayable in one or more installments by 31st March, 2023 or such other terms as may be mutually agreed between the Company and Jindal Stainless Limited and interest there on is payable on half yearly basis commencing from September 2018 (i.e. after further moratorium of 2 years as mutually agreed).

Compensation to key management personnel

Particulars	FY 2016-17	FY 2015-16
Short-term employee benefits*	<b>22.14</b>	5.56
Total Compensation to key management personnel	<b>22.14</b>	5.56

\*\*As the future liability for gratuity &amp; leave encashment is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above."

**49 Income Tax Expense**

(₹ in Crore)

Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
Current tax	75.47	4.22
MAT Credit Entitlement	(41.55)	(2.14)
Deferred tax	83.15	5.40
Income Tax change/(credit) for earlier years	-	(0.40)
<b>Total</b>	<b>117.07</b>	<b>7.08</b>

**Effective tax Reconciliation :**

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

Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
Net Profit/(Loss) before taxes	357.51	44.70
Enacted Tax Rate	34.608%	34.608%
Computed tax (Income)/expense	123.72	15.47
Increase/(reduction) in taxes on account of:		
Additional allowance for tax purpose	(7.25)	-
Expenses not allowed for tax purpose	2.39	0.40
Past year adjustments	-	(0.40)
Effect of Change in Tax Rate	0.27	(0.19)
Deferred Tax recognised for earlier years	0.43	(5.70)
Non Taxable Subsidiaries and effect of Differential Tax Rate	(2.49)	(2.51)
Income tax expense reported	117.07	7.08
Effective Income Tax Rate	32.74%	15.84%

50 Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ("CGU") within the Group at which the goodwill or other assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and fair value less costs of disposal. During the year, the testing did not result in any impairment in the carrying amount of goodwill and other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid term market conditions.

Assumption	Approach used to determining values
<b>Sales volume</b>	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
<b>Sales price</b>	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term inflation forecasts for each territory.
<b>Budgeted gross margin</b>	Based on past performance and management's expectations for the future.
<b>Other operating costs</b>	Fixed costs of the CGUs, which do not vary significantly with sales volumes or prices. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases but not reflecting any future restructurings or cost saving measures. The amounts disclosed above are the average operating costs for the five-year forecast period.
<b>Annual capital</b>	Expected cash costs in the CGUs. This is based on the historical experience of management, and the planned refurbishment expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
<b>Long-term growth rate</b>	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
<b>Pre-tax discount rates</b>	Reflect specific risks relating to the relevant segments and the countries in which they operate.

**51 Segment Reporting:**
**i) Information about Business Segment ( for the year 2016-17)**

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

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

(₹ In Crore)

S. No.	Particulars	2016-17			2015-16			01-04-2015		
		Within India	Outside India	Total	Within India	Outside India	Total	Within India	Outside India	Total
1	Revenue	7,131.23	1,370.57	8,501.80	6,962.32	987.48	7,949.80	-	-	-
2	Non Current Assets*	2,480.73	-	2,480.73	2,611.48	-	2,611.48	2,841.39	-	2,841.39

\*The company operating facilities are located in India

**52 Earning Per Share ( EPS ) computed in accordance with Ind AS 33 " Earning Per Share "**

(₹ in Crore unless otherwise stated)

	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>Basic :</b>		
Net Profit/(Loss) after Tax as per P & L A/c	286.86	36.46
Weighted Average No. of Equity Shares for Basic EPS	23,39,30,896	23,11,85,445
Add : Weighted average of Potential equity shares converted during the year	20,03,789	-
Add : Weighted average of Potential equity shares outstanding as on 31st March	-	43,326
Weighted average No. of Equity Shares for Diluted EPS	23,59,34,685	23,12,28,771
Basic EPS Per Share ( in ₹ )	12.26	1.58
Diluted EPS Per Share ( in ₹ )	12.16	1.58
Face Value Per Share ( in ₹ )	2.00	2.00

53 The operations of Ferro alloys unit of the Company situated at Kothavalasa in Vizianagram district , Andhra Pradesh has been temporarily shut down during previous year due to labour problems. During the current year the stated unit has resumed its operations.

54 Pursuant to Notification No. GSR 308(E) dated 30th March, 2017, Details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November to 30th December, 2016 as provided in the below table :-

(₹ in Crore)

Particulars	SBNs	Other denomination	Total
Closing cash in hand as on 08.11.2016	0.12	0.03	0.15
Add :- Un-Permitted receipts*	0.11	-	0.11
Add :- Permitted receipts	-	0.51	0.51
Less :- Permitted payments	-	0.38	0.38
Less :- Amount deposited in Banks	0.23	0.02	0.25
Closing cash in hand as on 30.12.2016	-	0.14	0.14

Explanation:For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economics Affairs number S.O. 3407 (E), dated the 8 November, 2016.

\* Represents refund of advances by employees.



**55 Interest in Subsidiaries and associates**
**55.1 Material Non-Controlling Interest in Subsidiary:**

Summarised financial information of JSL Lifestyle Limited, which has material non-controlling interest:

The Principal place of Business:-India

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Assets</b>			
Non Current Assets	50.94	55.38	53.6
Current Assets	149.43	143.75	121.35
<b>Sub Total</b>	<b>200.37</b>	<b>199.13</b>	<b>174.95</b>
<b>Liabilities</b>			
Non-current Liabilities	28.81	33.95	30.39
Current Liabilities	141.00	135.28	117.79
<b>Sub Total</b>	<b>169.81</b>	<b>169.23</b>	<b>148.18</b>
Equity attributable to Owner's of the company (% of Holding: 77.738%)	23.76	23.25	20.61
Equity attributable to Non Controlling Interest (% of Non Controlling Interest :22.262%)	6.80	6.65	6.16

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Revenue	207.39	165.33
Net profit/(loss)	1.03	3.18
Other Comprehensive Income	(0.37)	(0.05)
Total Comprehensive Income	0.66	3.13
Total Comprehensive Income attributable to Non controlling Interests	0.15	0.70

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Net cash inflow/(outflow) from operating activities	17.18	11.23
Net cash inflow/(outflow) from investing activities	(1.35)	(6.90)
Net cash inflow/(outflow) from financing activities	(16.53)	(3.84)
Net cash inflow/(outflow)	(0.70)	0.49

**55.2 Material Non-Controlling Interest in Subsidiary:**

Summarised financial information of Jindal Stainless Steelway Limited, which has material non-controlling interest:

The Principal place of Business:-India

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Assets</b>			
Non Current Assets	86.20	92.03	120.05
Current Assets	251.25	297.34	321.39
<b>Sub Total</b>	<b>337.45</b>	<b>389.37</b>	<b>441.44</b>
<b>Liabilities</b>			
Non-current Liabilities	9.27	6.04	14.97
Current Liabilities	234.44	303.88	349.64
<b>Sub Total</b>	<b>243.71</b>	<b>309.92</b>	<b>364.61</b>
Equity attributable to Owner's of the company (% of Holding: 81.911%)	78.54	66.37	64.02
Equity attributable to Non Controlling Interest (% of Non Controlling Interest :18.089%)	15.20	13.08	12.81

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Revenue	1,399.62	1,458.44
Net profit/(loss)	14.26	2.61
Other Comprehensive Income	0.02	0.01
Total Comprehensive Income	14.28	2.62
Total Comprehensive Income attributable to Non controlling Interests	2.58	0.47

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Net cash inflow/(outflow) from operating activities	37.31	56.38
Net cash inflow/(outflow) from investing activities	(2.97)	(5.61)
Net cash inflow/(outflow) from financing activities	(34.36)	(57.13)
Net cash inflow/(outflow)	(0.02)	(6.36)

**55.3 Material Interest in Associate:Jindal Stainless Limited**

Name of Associate	Country of Incorporation & Operation	% of Ownership Interest as at 31st March ,2017	Principal Activity
Jindal Stainless Limited	India	42.13%	manufacturer /producer of Stainless steel flat products in Austenitic, Ferritic, Martensitic and Duplex grades

The above associate was accounted for using equity method in the consolidated financial statement

(₹ in Crore)

Particulars	As at 31.03.2017
Non Current Assets	7,072.34
Current Assets	3,198.53
Non-current Liabilities	3,515.50
Current Liabilities	5,014.16

(₹ in Crore)

Particulars	For the year ended 31.03.2017
Revenue	8,982.95
Net profit/(loss)	58.34
Other Comprehensive Income	(0.26)
Total Comprehensive Income	58.08
Dividend received during the year	-

Reconciliation of Summarised financial Information to the carrying amount of the interest in the associates recognised in the consolidated financial statements:

(₹ in Crore)

Particulars	As at 31.03.2017
Net assets of the associate	1,741.21
% of Share in associate	42.13%
Share in net assets of associate (Net of 296.02 Crore being fair value adjustment at the time of acquisition and read with note no.46(B))	437.50
Other adjustments	19.62
Carrying amount of interest in associates	417.88

The associate had the following contingent liabilities (to the extent Share in associate)

(₹ in Crore)

S.No.	Particulars	Amount
A.	Contingent Liabilities not provided for in respect of :	
i)	Guarantee issued by bank on behalf of Company	74.95
ii)	Letter of Credit	314.71
iii)	Bills discounted with Banks	42.37
iv)	a) Sale Tax/Entry Tax demands against which company preferred appeals.	62.75
	b) Excise Duty/Custom/Service Tax Show Cause Notices/ Demands against which company has preferred appeals.	42.20
	c) Income tax demands against which Company has preferred appeals.	19.73
v)	a) Claims and other liabilities against the company not acknowledged as debt.	23.31
	b) Demand made by Dy. Director of Mines, Jajpur Road Circle, Orissa against which company has preferred appeal / disputed by the Company.	2.76
B.	a) Custom duty saved / to be saved on 31st March, 2017 (Bonds executed with custom authorities for import under EPCG Scheme Outstanding 6.06 Crore (₹ 3.11 Crore as on 31.03.2016 & ₹ 481.10 Crore as on 01.04.2015)).	0.69
	b) Custom Duty saved on material consumed imported under Advance License.	
C.	Letter of Comfort to banks against Credit facilities/ financial assistance availed by subsidiaries.	21.79
D.	Appeals in respect of certain assessments of Sales Tax / Income Tax are pending and additional tax liabilities/refunds, if any, are not determinable at this stage. Adjustments for the same will be made after the same are finally determined. In the opinion of management there will not be material liability on this account	-
E.	Corporate Guarantee given to banks against Credit facilities / financial assistance availed by Jindal Stainless (Hisar) Limited, amount for facilities outstanding as on 31st March'2017 ₹ 3,392.78 Crore (₹ 1,553.55 Crore).	1,429.38

#### 55.4 Immaterial Interest in Associates:

S. No.	Particulars	Country of Incorporation	% of Ownership Interest as at 31st March ,2017	% of Ownership Interest as at 31st March ,2016	% of Ownership Interest as at 01st April, 2015
1	Jindal Stainless Corporate Management Services Private Limited	India	50%	50%	0%
2	J.S.S. Steelitalia Limited	India	33%	33%	33%

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Carrying Amount	0.52	2.58
Profit & loss from continuing operation	(1.56)	(1.39)
Post tax profit or loss from discontinuing operation	-	-
Other Comprehensive income	(0.05)	0.25
Total Comprehensive income	(1.61)	(1.14)

#### 56. FIRST-TIME ADOPTION OF IND AS

##### 1. Exemption availed and exceptions applied

The Group prepared financial statements for all periods up to 31st March 2016 in accordance with The Accounting Standards notified u/s 133 of The Companies Act 2013 (as amended) (read with Companies (Accounts) Rules 2014 ("Indian GAAP").

These are the Group's first annual financial statements prepared complying in all material respects with the Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly the Group prepared its opening Ind AS Balance Sheet at April 1, 2015 and comparative period presented for the financial year 2015-16.

##### (i) Exemptions availed

As permitted by Ind AS 101 (First-time Adoption of Ind AS) the Company has availed following exemptions from the retrospective application of certain requirements under Ind AS. These exemptions are:

- Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interest. This requirement needs to followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition. Consequently, the group has applied the above requirement prospectively.
- The Group has chosen to measure all items of Property, Plant and Equipment and Intangible assets on transition date i.e. 1st April 2015 at carrying cost under Indian GAAP as their deemed cost.
- The Group has chosen to continue Indian GAAP carrying amount of its investments in subsidiary, associate and joint ventures as their deemed cost.
- The Group has opted to apply business combination Ind AS 103 post transition date and not retrospectively.

##### (ii) Exceptions applied

- The estimates as at 1st April 2015 and 31st March 2016 are consistent with estimates made for the same date in accordance with Indian GAAP.
- The Group has classified the financial assets in accordance with Ind AS 109 on the basis of facts and conditions existed on Ind AS transition date.
- The Group has elected to apply the Derecognition requirements for financial assets and financial liabilities in accordance with Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

##### 2. Transition to Ind AS – Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101 on the Company equity, balance sheet & statement of profit & loss for the financial period previously reported under Indian GAAP

**Reconciliation of Consolidated Balance Sheet As At 31st March, 2016**

(₹ in Crore)

Description	Note No	IGAAP	Adjustments	IND AS
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment		2,448.50		2,448.50
(b) Capital work-in-progress		60.60		60.60
(c) Goodwill (includes Goodwill on Consolidation)	b	75.91	10.34	86.25
(d) Other Intangible assets		10.90		10.90
(e) Financial Assets				
(i) Investments		368.77		368.77
(ii) Loans		192.66		192.66
(iii) Other Financial Assets	c	29.66	(0.20)	29.46
(f) Deferred tax assets (net)	h	12.11	(4.97)	7.14
(g) Other non-current assets	c	5.12	0.10	5.22
<b>(2) Current assets</b>				
(a) Inventories		1,221.41		1,221.41
(b) Financial Assets				
(i) Trade receivables		836.58		836.58
(ii) Cash and cash equivalents		16.75		16.75
(iii) Bank balances other than (ii) above		6.40		6.40
(iv) Loans		14.91		14.91
(v) Other Financial Assets		77.51	-	77.51
(c) Current Tax Assets (Net)		10.14	-	10.14
(d) Other current assets	c & d	141.51	2.63	144.14
<b>Total Assets</b>		<b>5,529.44</b>	<b>7.90</b>	<b>5,537.34</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		46.24		46.24
(b) Other Equity		552.10	10.54	562.64
Non-Controlling Interest		19.72	(1.18)	18.54
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	a	1,213.04	(1.46)	1,211.58
(b) Provisions		6.83		6.83
(c) Deferred tax liabilities (Net)		4.51	-	4.51
<b>(2) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		781.10		781.10
(ii) Trade payables		1,084.28		1,084.28
(iii) Other financial liabilities		1,519.64		1,519.64
(b) Other current liabilities		293.32		293.32
(c) Provisions		8.59		8.59
(d) Current Tax Liabilities (Net)		0.07		0.07
<b>Total Equity and Liabilities</b>		<b>5,529.44</b>	<b>7.90</b>	<b>5,537.34</b>

**Reconciliation of Consolidated total comprehensive income for the year ended March 31, 2016**

(₹ in Crore)

Description	Note No	IGAAP	Adjustments	IND AS
<b>INCOME</b>				
Revenue from operations (Gross)	d & f	8,043.47	(52.02)	7,991.45
Less: Excise Duty	e	756.84	(756.84)	-
Revenue from operations (Net)		7,286.63	704.82	-
Other income	c	25.62	0.12	25.74
<b>TOTAL</b>		<b>7,312.25</b>	<b>704.94</b>	<b>8,017.19</b>
<b>EXPENSES</b>				
Cost of materials consumed		4,560.43	-	4,560.43
Purchases of Trading Goods		74.50	-	74.50
Changes in inventories of finished goods, work in progress and Trading goods		167.42	-	167.42
Employee benefits expenses	g	177.27	(1.43)	175.84
Excise Duty on sales	e	-	756.84	756.84
Finance costs	a	494.60	(1.25)	493.35
Depreciation and amortization expense	b	315.15	(10.34)	304.81
Other expenses	c & f	1,449.58	(54.45)	1,395.13
<b>TOTAL</b>		<b>7,238.95</b>	<b>689.37</b>	<b>7,928.32</b>
Profit/(Loss) before exceptional and tax		73.30	15.57	88.87
Exceptional items - Gain/(Loss)		(44.17)	-	(44.17)
Share of Profit/(Loss) from Associate		(0.92)	(0.25)	(1.17)
<b>Profit/(Loss) before tax</b>		<b>28.21</b>	<b>15.32</b>	<b>43.53</b>
<b>Tax expense</b>	h			
Provision for Current Tax		3.73	0.49	4.22
MAT Credit Entitlement		(2.14)	-	(2.14)
Provision for Deferred Tax		0.36	5.04	5.40
Previous Year Taxation Adjustment		(0.40)	-	(0.40)
<b>Profit/(Loss) for the Year</b>		<b>26.66</b>	<b>9.79</b>	<b>36.45</b>
<b>Profit/(Loss) attributable to:</b>				
Owners of the parent		25.44	11.02	36.46
Non-Controlling Interest		1.22	(1.23)	(0.01)
		<b>26.66</b>	<b>9.79</b>	<b>36.45</b>
<b>Other Comprehensive Income</b>				
Re-measurement gains (losses) on defined benefit plans	f		(1.43)	(1.43)
Provision for Current Tax			0.49	0.49
Share from Associate			0.25	0.25
<b>Other Comprehensive Income for the year</b>			<b>(0.69)</b>	<b>(0.69)</b>
<b>Other Comprehensive Income attributable to:</b>				
Owners of the parent			(0.68)	(0.68)
Non-Controlling Interest			(0.01)	(0.01)
			<b>(0.69)</b>	<b>(0.69)</b>
<b>Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>			<b>9.10</b>	<b>35.76</b>
<b>Total Comprehensive Income attributable to:</b>				
Owners of the parent			10.34	35.78
Non-Controlling Interest			(1.24)	(0.02)
			<b>9.10</b>	<b>35.76</b>



**Reconciliation of Consolidated Balance Sheet As At 1st April, 2015**

(₹ in Crore)

Description	Note No	IGAAP	Adjustments	IND AS
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment		2,700.26		2,700.26
(b) Capital work-in-progress		29.25		29.25
(c) Goodwill (includes Goodwill on Consolidation)		85.59		85.59
(d) Other Intangible assets		15.01		15.01
(e) Financial Assets				-
(i) Investments		369.91		369.91
(ii) Loans		26.44		26.44
(iii) Other Financial Assets	c	28.00	(0.23)	27.77
(f) Deferred tax assets (net)	h	10.10	0.08	10.18
(g) Other non-current assets	c	11.17	0.11	11.28
<b>(2) Current assets</b>				
(a) Inventories		1,448.99		1,448.99
(b) Financial Assets				
(i) Trade receivables		954.41		954.41
(ii) Cash and cash equivalents		9.99		9.99
(iii) Bank balances other than (ii) above		9.29		9.29
(iv) Loans		-		-
(v) Other Financial Assets		71.21		71.21
(c) Current Tax Assets (Net)		9.20		9.20
(d) Other current assets	c	418.08	0.08	418.16
<b>Total Assets</b>		<b>6,196.90</b>	<b>0.04</b>	<b>6,196.94</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		46.24		46.24
(b) Other Equity		500.78	0.20	500.98
<b>Non-Controlling Interest</b>				
		18.93	0.06	18.99
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	a	48.64	(0.22)	48.42
(b) Provisions		8.05		8.05
(c) Deferred tax liabilities (Net)		4.31		4.31
<b>(2) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		988.30		988.30
(ii) Trade payables		1,534.30		1,534.30
(iii) Other financial liabilities		2,756.80		2,756.80
(b) Other current liabilities		284.89		284.89
(c) Provisions		4.45		4.45
(d) Current Tax Liabilities (Net)		1.21		1.21
<b>Total Equity and Liabilities</b>		<b>6,196.90</b>	<b>0.04</b>	<b>6,196.94</b>

(₹ in Crore)

Effect of IND AS adoption on Total Equity	As At 31st March, 2016	As At 1st April, 2015
Total Equity* Under IGAAP	571.82	519.71
Add/(less): Adjustments on account of transitions to IND AS		
Interest income on Security deposit	0.12	-
On Account of Service Inventory	2.55	-
Goodwill amortisation reversed	10.34	-
Amortisation of Transaction Cost on Borrowings	1.47	0.21
Rent expenses on security deposit	(0.15)	(0.03)
On Account of Deferred Tax	(4.97)	0.08
<b>Total Equity Under IND AS</b>	<b>581.18</b>	<b>519.97</b>

\* Represents Compulsory Convertible Warrants, Non-Controlling Interest and reserve and surplus excluding share capital.

The following explains the material adjustments made while transition from previous accounting standards to IND AS

- As required under IND AS 109, transactions costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Accordingly the same were adjusted in Long term borrowings. Under previous GAAP, these transaction costs were charged to statement of profit and loss as and when incurred.
- As required under IND AS 38, goodwill is not amortised and assessed for Impairment. Accordingly, there is reversal of amortisation of goodwill in IGAAP and resulted to increase in goodwill value and equity as at 31st March, 2016.
- Under IND AS, all financial assets are required to be recognised at fair value. Accordingly, the group has fair valued these security deposits under IND AS. Difference between fair value of security deposits and carrying cost has been recognised as prepaid rent.
- As per Ind AS to the extent the service providers have inventory, they measure them at their costs of production. These costs primarily consists of labour & other costs of personnel directly engaged in providing the service including supervisory personnel and attributable overheads. Accordingly, the Group has to account for its inventory with the job service providers called "Unbilled revenue"
- Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of statement of profit & loss as part of expenses.
- Under Ind AS, revenue from sale of goods is presented net of discount. Under the Indian GAAP, Trade Discount is shown separately in the statement of profit and loss account.
- Under Ind AS, Re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss under the previous GAAP.
- Net Deferred tax Asset/Liability is created on the various Ind AS adjustments as applicable. Deferred tax Assets/Liability under Ind AS also includes Minimum alternate tax which was shown under Short-Term Loan and Advances in the previous GAAP.

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

(₹ in Crore)

Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit /Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated OCI	Amount	As % of consolidated Total Comprehensive Income	Amount
<b>Parent Company</b>								
Jindal Stainless (Hisar)Limited	96.53	862.06	76.01	218.02	83.77	(2.25)	75.93	215.77
<b>Subsidiaries</b>								
<b>Indian</b>								
Jindal Stainless Steelway Limited	10.50	93.74	4.96	14.28	(0.79)	0.02	5.04	14.30
JSL Lifestyle Limited	3.42	30.56	0.36	1.03	13.92	(0.37)	0.23	0.66
Green Delhi BQS Limited	(11.29)	(100.83)	1.14	3.26	-	-	1.15	3.27
JSL Media Limited	(3.71)	(33.15)	0.29	0.83	0.07	(0.00)	0.29	0.83
JSL Logistics Limited	0.07	0.63	0.00	0.01	-	-	0.00	0.01
Minority Interest in all Subsidiaries	(2.44)	(21.82)	(1.33)	(3.83)	(2.96)	0.08	(1.32)	(3.75)
<b>Associates</b>								
<b>(Investment as per equity method)</b>								
J.S.S.Steelitalia Limited	-	-	(0.73)	(2.09)	-	-	(0.74)	(2.09)
Jindal Stainless Corporate Management Services Private Limited	0.06	0.51	0.19	0.53	1.91	(0.05)	0.17	0.48
Jindal Stainless Limited	46.78	417.87	18.06	51.82	4.07	(0.11)	18.19	51.70
Consolidation Adjustments/Elimination	(39.92)	(356.51)	1.05	3.00	-	-	1.06	3.00
<b>Total</b>	<b>100</b>	<b>893.06</b>	<b>100</b>	<b>286.86</b>	<b>100.00</b>	<b>(2.68)</b>	<b>100.00</b>	<b>284.18</b>

58 Amount spent towards Corporate Social Responsibility as per the provisions of section 135 of Companies Act ,2013 for the year amounting to ₹ 1.04 Crore (₹ 0.14 Crore).

59 Previous years' figures have been re-arranged and regrouped whenever considered necessary.

60 Note 1 to 60 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 **LODHA & CO.**  
Chartered Accountants

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

**N.K. LODHA**  
Partner  
Membership No. 85155  
FRN 301051E

**SUNIL WAHAL**  
Partner  
Membership No. 87294  
FRN 000756N

For and on behalf of the Board of Directors :

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

**PLACE:** New Delhi  
**DATED:** 15th May, 2017

 (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 Crore)

Name of the Subsidiary (Read with Note No.1 (i) )	Reporting Period	Reporting Currency and 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-Mar-17	INR	17.17	76.57	337.45	243.71	9.71	1,395.49	22.48	8.22	14.26	-	81.911%
JSL Lifestyle Limited	31-Mar-17	INR	28.50	2.05	200.36	169.81	0.02	204.80	2.05	1.02	1.03	-	77.738%
Green Delhi BQS Limited	31-Mar-17	INR	0.10	(100.93)	5.12	105.95	-	-	3.26	-	3.26	-	68.880%
JSL Media Limited	31-Mar-17	INR	0.05	(33.20)	4.38	37.53	-	-	0.83	-	0.83	-	99.940%
JSL Logistics Limited	31-Mar-17	INR	0.05	0.58	0.92	0.29	-	1.19	0.01	0.00	0.01	-	100.000%

(₹ in Crore)

Name of Associate	Shares of Associate held by the company on the year end					Share in Total Comprehensive Income		Description of how there is significant influence	Reason why the Associate is not consolidated
	Latest audited Balance Sheet Date	No.	Amount of Investment in Associate	Extend of Holding%	Net worth attributable to shareholding as per latest audited Balance Sheet	Considered in Consolidation	Not Considered in Consolidation		
J.S.S.Steelitalia Limited *	31-Mar-17	7713190	7.71	33.00%	(0.23)	(2.09)	(6.35)	% Holding	NA
Jindal Stainless Corporate Management Services Private Limited	31-Mar-17	5000	0.01	50.00%	0.51	0.48	0.48	% Holding	NA
Jindal Stainless Limited	31-Mar-17	168284309	366.19	42.13%	733.52	51.70	6.38	% Holding	NA

\* Management Certified

**RATAN JINDAL**  
Chairman

**ASHOK KUMAR GUPTA**  
Whole Time Director

**ANKUR AGRAWAL**  
Chief Financial Officer

**BHARTENDU HARIT**  
Company Secretary

**PLACE:** New Delhi  
**DATED:** 15th May, 2017

**JINDAL STAINLESS (HISAR) LIMITED**

(CIN: L27205HR2013PLC049963)

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

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

Email Id: investocare.jshl@jindalstainless.com

Website: www.jshlstainless.com

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

**E-COMMUNICATION REGISTRATION FORM**

To,

Link Intime India Private Limited  
 [Unit: Jindal Stainless (Hisar) 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.



**Form No. MGT-11  
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: L27205HR2013PLC049963)

**Name of the Company:** Jindal Stainless (Hisar) Limited

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

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

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: ..... or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 4th Annual General Meeting of the Company, to be held on the 26th day of September, 2017 at 01:00 P.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	To appoint a Director in place of Mr. Ashok Kumar Gupta (DIN: 01722395), who retires by rotation and being eligible, offers himself for re-appointment.		
3	To ratify appointment of M/s. Lodha & Co., Chartered Accountants and M/s. S.S. Kothari Mehta & Co., Chartered Accountants as Joint Statutory Auditors and M/s. N.C. Aggarwal & Co., Chartered Accountants as Branch Auditors and to fix their remuneration.		

4	Payment of commission to Mr. Abhyuday Jindal, Non Executive Vice Chairman of the Company.		
5	Ratification of remuneration to be paid to M/s Ramanath Iyer & Co., Cost Accountants, as Cost Auditors of the Company for the financial year 2017-18.		
6	Authority to enter into material related party contracts/ arrangements / transactions.		

Signed this ..... day of September, 2017

.....  
Signature of shareholder

.....  
Signature of Proxy holder(s)



**Notes:**

- This form should be signed across the stamp as per specimen signature registered with the Company.
- 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.
- A proxy need not be a member of the Company.
- 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.
- 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 4th Annual General Meeting  
Jindal Stainless (Hisar) Limited, O.P. Jindal Marg, Hisar-125005, Haryana**

