



JSHL:2018:
October 26, 2018

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Sub: Intimation under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sirs,

In compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we are submitting herewith the Annual Report of Jindal Stainless (Hisar) Limited for the financial year 2017-18, approved and adopted in the Annual General Meeting of the Company held on 27th September, 2018, as well as Business Responsibility Report of the Company.

Please acknowledge receipt.

Thanking you,

Yours faithfully,
for **Jindal Stainless (Hisar) Limited**


(Bhartendu Harit)
Company Secretary



Jindal Stainless (Hisar) Limited

CIN: L27205HR2013PLC049963

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The DNA of Craftsmanship



The DNA of Craftsmanship

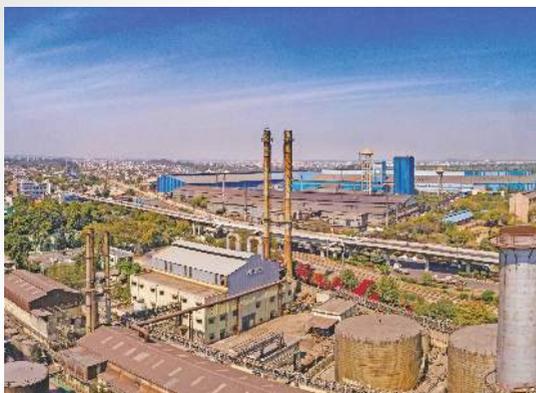
Stainless Steel is something that can be crafted into anything. Its shine and strength add beauty and durability to whatever it touches, turning it into a piece of art that can stand the test of time. Hence, Stainless Steel is the DNA of craftsmanship and we are proud that it is a part of our DNA.





Aerial View of Jindal Stainless (Hisar) Ltd., Hisar, Haryana

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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 the preferred choice for our customers, suppliers and stakeholders

Strong Capabilities

We will build or buy appropriate technology, focus on research & development and enhance 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 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 the 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 steel buckets and steel pipes, 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 Jindal Stainless (Hisar) Ltd., 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

“ Making women financially aware and independent helps bolster their self esteem and overall worth in the society, and I have personally seen the confidence shine through in these women who create nothing but wonder. ”

'...Miles to go before we sleep'

In the previous year, Jindal Stainless (Hisar) Limited (JSHL) resolutely marched towards the goal of development through sustainability and inclusion. The noteworthy impact of our Corporate Social Responsibility (CSR) initiatives would not have been possible without the unstinted support and cooperation of all stakeholders, including our employees and the people associated with us at the grassroots level. I feel honoured and humbled at the same time to be surrounded by extraordinary people who have made a difference to the lives of so many people and communities.

To ensure an equitable and hospitable future, it is imperative that as a company, we give back to the community at large. I firmly believe that the only sustainable path to growth is to give back in due time and in the way that the community needs. I thus take this opportunity to share with you the different paths we have embarked upon to improve the quality of the many lives that intersect with ours.

Making women financially aware and independent helps bolster their self-esteem and overall worth in the society, and I have personally seen the confidence shine through in these women who create nothing but wonder. The programs carried out by our CSR teams across various locations are an indicator of the robust community governance structure that has been successfully implemented.

In addition, education and health care have been core indicators of social development and JSHL has opened **Learning Centers** for children out of schools, to invest in the future of our society. To enable digital literacy, computer literacy programs and tuition centers for the economically underprivileged sections of the society are also functioning under the aegis of our CSR driven campaigns.

In the healthcare sector, JSHL runs mobile clinics and health programs addressing the issue of female foeticide in Hisar. This issue needs much more intervention in certain parts of India, and we strive to work towards eradicating this menace as a whole.

A well designed HIV and AIDS program has been extremely beneficial especially to the truckers' community. I am also happy to note that over the year, cancer detection camps were held in areas around Hisar.

It delights me to share that by improving logistics, introducing better crop management practices and knowledge sharing, the production capacity of farmers has doubled and the input costs have reduced significantly. This will make a lasting difference to their lives.

Environment protection will remain a crucial concern for which we plan to continue taking resolute, year-round initiatives. We will continue to work with fortitude towards our targets and with our core value system firmly in place to pursue the larger agenda of improving lives. I thank you all for your continued trust, confidence and support and hope that we continue to grow from strength to strength, together.

CHAIRMAN SPEAKS



Ratan Jindal
Chairman

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

It filled my heart with pride when India became the second largest producer of stainless steel in the world in the preceding year. This is a commendable milestone for us. Jindal Stainless (Hisar) Limited (JSHL), the pioneer stainless steel company in India, stands testimony to the metamorphosis of this industry, since the time our country began producing stainless steel in early 1970s. Our journey has been nearly five decades long and JSHL has always been a trendsetter for the stainless steel industry. I thank each one of you for your unwavering support.

Stainless steel industry's annual growth rate stands unrivalled for over two decades at 5.39 %, higher than aluminium, copper and carbon steel as per the International Stainless Steel Forum. Domestic consumption of stainless steel is growing with expanded applications in defence, railways, elevators, industrial applications, urban infrastructure, and new automobile constituents like exhaust systems. Our R&D efforts have made us the only

company in India which can supply stainless steel for certain specialised defence products. At JSHL, our objective will be to deliver customised, value added products and to diversify the product mix to further enhance our offering in the market.

Our engagement with customers has moved up a notch beyond the transactional approach. We have adopted a partnership model with our customers, segment and region wise, giving consideration to all their needs. Last year, we began to switch to digital business transactions. We have digitised most of our transactional interfaces to improve the supply chain mechanism and reduce the lead time in the system. We wish to continue to invest in technology to serve our customers better.

Our environmental and social performance in FY'18 further strengthened the promise of a bright future for our company. We are inching towards the phenomenal shift of making all our transactions, across functions,

paperless. JSHL's social initiatives around its operating periphery to promote education, enhance vocational skills, support women empowerment initiatives, and assist farmers with organic farming have reaped rich benefits for our communities.

Short term future might be ridden with market pressures due to protectionist policies around the globe, including Europe and USA. India may be afflicted with imports in absence of any safeguard measures for the domestic stainless steel industry. In light of several developed countries across the globe undertaking strong measures to safeguard their domestic manufacturing industries, it is high time that the Indian government also took such bold measures to protect the interests of local manufacturers. This includes complete staunching of CVD circumvention, and revisiting the very purpose of existing free trade agreements (FTA) with ASEAN countries such as Korea and Japan. Not only have the FTAs created huge trade imbalances for domestic players, they've also widened India's trade deficit with these countries.

The competitiveness of domestic players is further compromised by the 2.5% import duties levied on the two main input material for the stainless steel industry, namely, ferro-nickel and stainless steel scrap. It is ironical that import duties be levied on raw materials such as these, which are not available domestically. On the other hand, the basic custom duty (BCD) imposed on stainless steel goods is only 7.5%, whereas the corresponding figure for carbon steel is 12.5%. This unfavorable situation – of raw materials becoming expensive and import of finished goods into the country being easier – leaves the domestic stainless steel industry grappling with an inverted duty structure. These issues have been raised with the government and the Company is awaiting, as precedence suggests, a positive response. Years ago, we began our journey when there was no roadmap or guiding signs to show us the way. Our strong beliefs, led by passion, casted the course of this industry. We will continue to preserve, grow and nurture this legacy for the society at large, with higher ambitions for the future.

I take this opportunity to thank all our stakeholders for their unrestricted support. I express my gratitude to all our shareholders, board of directors, customers and bankers. I offer my sincere thanks to my fantastic team at JSHL who have dedicatedly driven all our endeavours. I look forward to continued support from all of you for the many more milestones we are slated to achieve together in the future.

FROM THE MANAGING DIRECTOR'S DESK



Abhyuday Jindal
Managing Director

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

Dear Shareholders,

It was nearly five decades ago that a humble beginning was made in Hisar. What started as a bucket manufacturing unit has transformed into the largest stainless steel producing company in India. As the Managing Director of this company, Jindal Stainless (Hisar) Limited (JSHL), it is my proud privilege to present to you the Annual Report of JSHL for Financial Year 2017-18.

Your Company added another chapter to its successful journey. The uptrend of high operational and financial performance continued throughout the year. Riding on the back of an improved product mix and maximized operational efficiencies, the net annual revenue for JSHL grew by 34% over previous year, reaching Rs 9,259 crore in FY 18. The growth in profit after tax (PAT) was to the tune of 82%, up from Rs 218 crore in FY 17 to Rs 396 crore in FY 18. The sales volumes saw a 13% rise, growing to 742,704 MT during FY 18. JSHL's subsidiaries maintained the growth momentum exhibited by the parent organization. Jindal Stainless Steelway Limited (JSSL) reported a 14% rise in FY18 net sales at Rs 1,435 crore. JSL Lifestyle Limited, which provides customized and value added products for infrastructure, railways, modular kitchens and prefabricated structures, also registered a 83% increase in net sales at Rs 356 crore. On a consolidated level, net revenues and PAT for the

organization surged by 33% and 102%, at Rs 10,357 crore and Rs 588 crore, respectively.

Your Company continued to strengthen its leadership position in the stainless steel market of India. The growth in JSHL's performance was supported by the growth in Indian economy and resulting demand of stainless steel from various sectors. An array of social and economic initiatives, such as Smart Cities, expansion and modernisation of Railways, development of ports, Swachhta Mission, Drinking Water Programs, National Solar Mission, industrial corridors, airport modernization etc spurred demand. Recognizing the life-cycle cost and safety advantages of stainless steel, the Government mandated use of stainless steel in specific areas through the 2017 National Steel Policy. The Ministry of Railways, for instance, made a policy announcement to convert 55,000 train coaches to the LHB technology, which requires extensive use of stainless steel. Moreover, with more stringent norms like Euro-VI kicking in by 2020, consumption of stainless steel is expected to make even deeper inroads. So the outlook of stainless steel consumption in India remains buoyant and we believe that we are well positioned to capitalize on this upcoming industry growth.

Diverse applications of stainless steel enabled us to cater to 1,000+ active customers from various segments like Nuclear, Petrochemical, Pharmaceutical, Power, Food & Dairy,

Kitchenware, Lift & Elevators, Metro Coaches, Precision Steel, Sugar & Distilleries and many more. The biggest customers of your Company were spread across Railways, Auto, Pipe & Tube, Architecture, Building & Construction, and Industrial Applications segments.

Adopting an outside-in perspective in customer service, we steered our marketing and sales practices in a whole new direction. We reached out to customers in their residential places with awareness campaigns on the life-enhancing benefits of using stainless steel. We inspired our stakeholders on the advanced applications of this metal in India and abroad through monthly newsletters. As the leaders of stainless steel in India, we undertook a massive fabricator education program and trained nearly 3,500 fabricators in 34 cities of India in using stainless steel. We also trained technicians of the Integral Coach Factories of Indian Railways in drilling, cutting and other treatment methods for stainless steel. During FY18, we also launched a website, www.makestainless.com, to connect end users of stainless steel products with suppliers of the product.

For all parts of the Company to be sensitized to the customer spirit, JSHL organized visits of cross-functional teams to customer premises. The results have been excellent. We have transitioned from a transactional relationship to a partnership based approach by signing long term MoUs with them. New processes and standards have been implemented with absolute price transparency. Data analytics have taken the centre stage for all business decisions. Relationship management, including approachability of the senior management of the Company, and predictive selling analysis to proactively anticipate customer needs have become the order of the day. Fair and transparent pricing along with a discounting process for all through a published rate list and an option for staggered delivery and payment have further uplifted customer confidence in us.

Your Company bagged new customers across the world for its globally-acclaimed precision strips and blade steel. In another new development, the Company decided to venture into stainless steel long products, which can be further made into reinforcement bars and used effectively for highway bridge decks, overpasses, tunnels, marine structures and all projects that demand endurance. These, and many other developments, have been made possible by JSHL's underlying ethos of innovation. Research & Development (R&D) plays a pivotal role in retaining and consolidating JSHL's leadership position in the stainless steel industry.

Employees continue to be the building blocks of your Company. 'Progress with people' is at the heart of JSHL's corporate ethos and human resource policies. This is reflected in the way we build teams, create shared vision, execute our growth plans and nurture talent to address business challenges. We hire and retain the best talent in the industry through our institutionalized processes and practices. This makes us one of the most preferred employers in our sector. For us, our employees are our best brand ambassadors.

I thank all shareholders once again for believing in our vision of Improving lives through trustworthy and innovative stainless-solutions. I extend my gratitude to the Government, our lenders, suppliers, customers and all other partners. With your support, the world's largest producer of razor blade steel will surely go on to maintain that cutting edge, literally and metaphorically.

DEVELOPMENTS & IMPROVEMENTS MADE BY JSHL IN FY 2017-18



DEVELOPMENT OF
SAFETY INTRANET PORTAL



DIGITALIZATION OF
MRO RECEIPTS
INSPECTION AND APPROVAL



AUTOMATION OF
CUSTOMER COMPLAINTS
INFORMATION FLOW



INBOUND AND OUTBOUND
LOGISTICS COPQ SUBMODULE
DEVELOPMENT IN SAP



AUTOMATION OF QUALITY-BASED DEDUCTIONS IN RAW MATERIAL BILLS OF DOMESTIC PURCHASES



SYSTEM-BASED PLANNING/ MRP FOR STORE CONTROLLED ITEMS



IMPLEMENTATION OF ANNUAL RATE CONTRACTS IN SAP

SUPPLY CHAIN



- Highest ever HRAP production & Dispatch
- Highest ever CRAP production & Dispatch
- 16% Increase in CRAP Saleable production over last year
- 15% Increase in CRAP Thinner dispatches over last year

AWARDS & ACCOLADES



- Golden Peacock Award (Environment Management, 2017)
- 23 Gold & 7 Silver Medals in CCQC, 2017
- 1 Excellence & 6 PAR Excellence Awards in NCQC, 2017
- Behaviour Based Safety Award (outstanding initiatives taken)

NEW PRODUCT APPLICATIONS

Stainless Steel Hopper Tipper for Municipal Applications

Hopper Tipper are used by municipal corporations for transporting waste and garbage. At present, there are 6 variants of hopper tipper in operation, with 1.8 cubic meters being the most commonly used capacity.

Hopper tipper are traditionally made from carbon steel. The commonly used grades for the body shell and under-frame components are Fe 410 and BSK 46 respectively. However, usage of carbon steel poses two major problems. Firstly, presence of various acidic media in the disposed garbage and waste leads to corrosion, thereby necessitating frequent repairs and maintenance of the body parts. This in turn reduces the productivity of the vehicles. Secondly, higher weight of the structure leads to higher fuel consumption. Weight reduction of the hopper tipper would lead to the end-users reaping benefits in terms of fuel savings.

Stainless steel can be used to address these problems. Based on the Computer Aided Engineering (CAE) analysis conducted to determine the suitable grade for this application, J4 has been selected for fabrication of the side and front panels and JT chequered sheets have been chosen for fabrication of the floor and rear panels.

The first prototype in 1.8 cubic meters capacity was fabricated by the manufacturer using our stainless steel. The weight reduction obtained was a whopping 115 kg. This prototype stainless steel hopper tipper was thereafter subjected to various performance tests at ARAI, Pune. It successfully passed all the approval tests.

Witnessing the success of the 1.8 cubic meters capacity hopper tipper, the manufacturers have now decided to redesign all 6 variants of hopper tipper using stainless steel.

Key Projects:

Tata Motors

Kailash Vahana Udyog Limited (KVUL), Pune



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 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
- Telengana 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

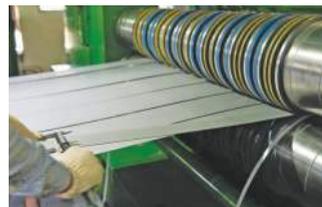
PRODUCT BASKET



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 make SS the wonder metal for various applications.

Jindal Stainless (Hisar) Limited (JSHL) is India's first 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
	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 Specialty Products Division (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 colour 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



Automobile Railway Transport

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



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



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 and long life 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 and 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 and tubes exhibit superior corrosion resistance, heat resistance and low-temperature properties and have been used as raw materials that can withstand harsh environments as seen in petroleum, brewery, sugar, refining, oil and 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 food or beverages). Stainless steel is widely used in these applications because it is resistant to corrosion, inert, easily cleaned and sterilised without loss of properties, and can be readily fabricated by a variety of techniques.

Stainless Steels for Application in Automotive and Transport Sectors

Automotive and Transport sectors are making increasing use of stainless steel 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 steel exhibits 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 components at the end of their long life are easily recycled.



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 its strength and resistance to corrosion, wear and fire make it 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 examples of historical structures 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).

HARNESSING THE POWER OF IT

Businesses today are at the verge of a digital transformation so powerful that it will completely change the world as we know it. IT is a true business enabler, which can re-invent the way we conduct businesses to yield rich dividends. JSHL understands the significance of harnessing the true potential of IT in gaining a competitive advantage in the industry. Here at JSHL, we extract maximum benefit by adopting the latest technology in the business realm. We know that to stay one step ahead, we need to be the forerunners in this digital transformation journey.

At the operational level, effective communication among stakeholders

is the bedrock of diligent planning and disruptive innovation, thereby leading to unprecedented success. To this end, the company migrated to **SAP HANA Enterprise Cloud** last year, which provides a smart solution for enterprise resource planning. It offers a comprehensive, secure and private cloud infrastructure, which enhances the speed of transaction by 10-15 times. This made the earlier version of SAP ERP ECC6.0, based on oracle, dated for all practical purposes.

When the entire manufacturing industry was apprehensive about adopting this new, path-breaking technology, JSHL led the way. The

company upgraded its ERP Applications and switched to HANA database on cloud on 11th April 2017. This opened up new avenues for digitization and advanced analytics in the organization, coupled with minimisation of human error. The company also received the **SAP ACE Award** in the '**Leveraging SAP HANA on Cloud**' category.

Another initiative to empower us in today's cloud centric world was our switch to **G-Suite Mail**. It is a multi-featured, user-friendly solution on the web that combines email, cloud storage, calendars, Google docs, sheets, hangouts and more. It was another milestone that improved our



employees' communication experience and made our business more efficient.

Coming to business processes, **digitization and automation** are the cornerstones of a smart business. Standing at the dawn of Industry 4.0, it is essential to keep pace with the latest changes in industry to make significant gains. Multiple initiatives were undertaken to this end, like paperless Purchase Requisitions through SAP workflows, auto PO generation for ARC based materials and automatic procurement planning through MRP for store-controlled items. Deployment of '**Store at Doorstep**', enabling delivery of requested items at shop floor, digitalization of MRO Receipts for inspection and approval, and digitization of Logistics COPQ calculations have shown significant

promise in terms of impact on business. Development of safety observations and solutions portal, SAP-based work permits system, integration of shop floor weighing bridges with ERP and auto-emailing to vendors for credit or debit intimation, were the other key initiatives undertaken during the year.

It is reasonable to believe that the acquisition of new technologies generates a need for new competencies. Therefore, the company has developed expertise in transforming business processes in SAP HANA. The internal SAP team of the company implemented **SAP Project at PT Jindal Stainless Indonesia** without an external implementation partner. This path-breaking, cost effective project went live on 1st January 2018.

The company has also developed an **Analytics core team** wherein selected members are trained in Advanced Excel, R-Analytics, Alteryx and Tableau to analyze data and find solutions to the business problems.

Today, technology is the prime differentiator between a market leader and a follower. By embracing these aforementioned technological advancements, the company is cementing its position of a market leader. The most important element of this transformation is the company's IT team, whose unflinching dedication and zest is the reason behind the success of our digitization endeavors.



UNLEASHING PEOPLE POWER



At Jindal Stainless (Hisar) Limited, our people are the driving force behind our growth story. Our intelligent, focused and diverse workforce arms us with the competitive advantage needed to stay ahead of competition. We believe in fostering a collaborative work environment to facilitate a culture of sustained high performance in our organization. We assist our employees' personal growth as well, by fostering an open culture and giving them the freedom to showcase their skills and creativity.

Attracting and retaining the best talent continues to be an area of focus for JSHL. We believe in hiring people with the right attitude and strength of character, along with the desired skill set, to make them an indispensable asset to our organization. Last year, we continued the tradition of hiring Graduate Engineer Trainees and Management Trainees from premier institutes across India. The overall employee strength of JSHL stood at **2379** as on 31st March 2018, including the new joiners during the year.



The best strategy to retain talented people is to provide them opportunities to hone their skills. We made dedicated efforts to create avenues for knowledge sharing and skill development for our workforce. Our consistent efforts led us to the extraordinary milestone of becoming a **Great Place to Work-Certified™** employer for the second consecutive year. This assessment served as a validation of our strengths as an employer and brought forth the focus areas for future improvement.

It is our incessant endeavor to groom and up-skill our people and provide avenues for learning and development. Rigorous efforts towards improving our training content and its tracking were made during the year. From April 2017 to March 2018, total 1975 employees were covered through various training programs leading to very high employee coverage in terms of training at JSHL. Apart from various behavioral, technical and operation excellence programs conducted by

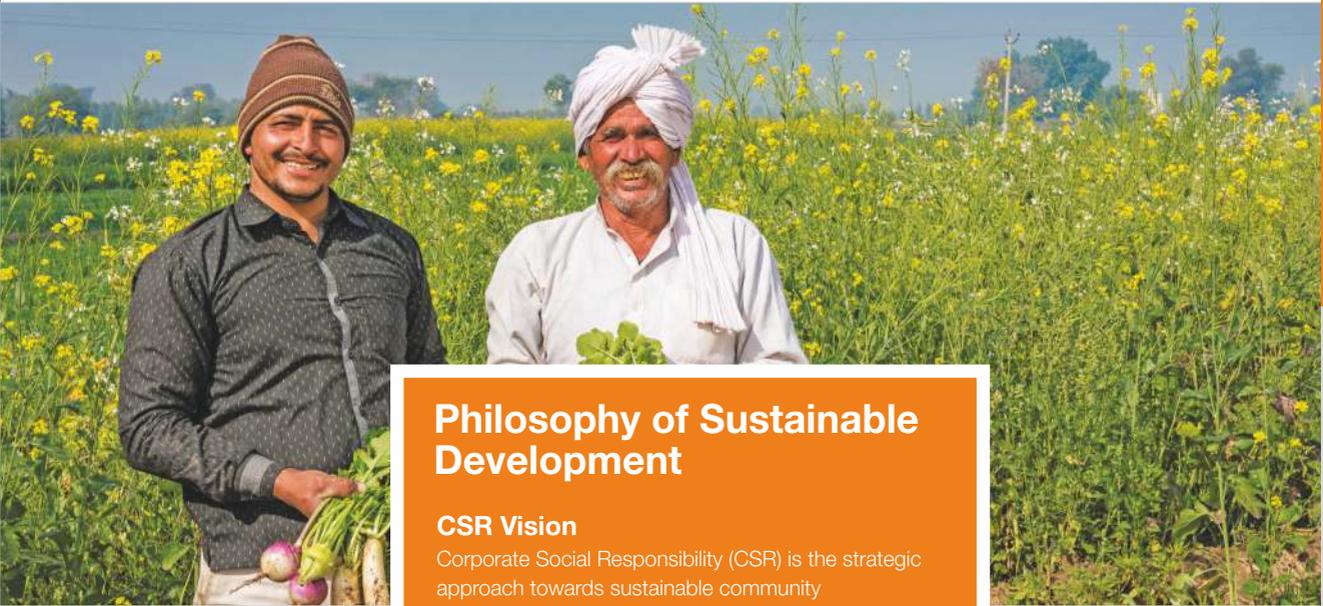
experts, several employees were also sent for specialized training programs at prestigious institutes like - IIM Calcutta, IIM Indore, IIM Lucknow, IIM Hyderabad and IIT Kanpur. This exposure prepares them for more competitive career opportunities, along with instilling in them the confidence to take on challenges in life outside work. Owing to our dedicated efforts, the overall training human-days at JSHL stood at **6893**.



FY'18 saw the roll out of various HR initiatives with innate focus on digitization of HR processes and systems. Outstanding user experience, faster resolution of queries and increasing transparency in the system were the key focus areas for this drive. The HR digitization programs at JSHL are aimed at increasing collaboration among employees through usage of cloud based platforms that are accessible from anywhere (including mobile devices). The initiatives are also expected to benefit all employees by making HR decision-making more streamlined and data-driven.

JSHL is currently on the cusp of a great transformation. Our vision is to become one of the most innovative stainless steel manufacturers in the world and the HR team is devoted to turning this goal into a reality. Our goal is to provide the organization with the best talent available and world class support systems to ensure agility and responsiveness of the workforce. In this fast-changing environment, our focus is on fostering a family of people who work with, and not for, Jindal Stainless (Hisar) Limited to carve out a stainless future.

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 and indirect methods.

Ms. 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 societies and Non Government Organizations. We believe that CSR is the direct connect between "Head and 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 JSHL of improving lives through trustworthy and innovative stain-less solutions



Objectives

- To work towards social advancement of all stakeholders including communities and their families
- To work with farming communities toward doubling their incomes through technology based solutions and promoting climate adaptation practices
- To empower rural youth and women through skill enhancement and promote entrepreneurship
- Provide basic amenities to rural communities living around our areas of operations such as 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)', Jindal Stainless as a member of the UNGC, is committed towards embracing the 10 United Nations Global Compact (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 since 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 towards safety of women employees are in place.





CSR Activities

Promoting Education and Enhancing Vocational Skills

O. P. Jindal Vikas Kendra – 'Unnati'

O. P. Jindal Vikas Kendra runs a skill development initiative for women residing in the vicinity of the respective locations. It is operational at 3 locations now, namely, Shiv Colony, village Satrod Kalan, and Nalwa. Women are imparted training in the areas of stitching and tailoring at these centers. This training equips them with a livelihood skill to support them in their pursuit of financial self-dependence. The courses are divided into basic and advanced modules, each lasting 6 months. Apart from the course curriculum, the students are also given exposure to embroidery, making of handicraft items, and repairing and maintenance of sewing machines. 132 students were trained and certified last year through the Jindal Stainless Foundation.



Stainless Skill Training Institute – 'Prerna'

This project acts as a platform for imparting knowledge and skills to women in the areas of dress designing, fashion technology and beauty culture to empower them to become financially self-reliant. Each basic course is initially designed for a period of six months, followed by another six months of advanced training.



Satellite Centers

Satellite Centers are a pilot project executed in two villages, namely Rawalwas Khurd and Mayard. They aim to support the ex-students of SSTI in the endeavor to pass on their knowledge and skills to train their fellow residents in their respective villages. The initiative gives the rural women and girls access to these training services within the vicinity of their homes and helps them hone their skills in the selected areas. In the last financial year, beauty salon training in the Rawalwas Khurd village, and stitching and tailoring training in the Mayard village touched the lives of 21 students. The third location for this initiative is Bara Quarter in Hisar, where 10 students are currently undergoing stitching training. From paying others for a service, to becoming independent and probably providing these services to others, this initiative is truly remolding the lives of women in these areas.

Deaf School Empowerment Project – 'Nai Disha'

With an aim to educate and develop life skills among deaf students, we partnered with the Noida Deaf Society. Classroom sessions focusing on various subjects like Indian Sign Language, English Communication Skills Level 1, Value Education, and Computers are organized for the students enrolled in the Welfare Centre for Hearing & Speech Impairment – Hisar (WCHSI). 122 enrolled students, from nursery to 8th standard, are reaping benefits from this program.



Ensuring Environment Sustainability and Ecological Balance

Solar Water Pump Project

Renewable energy is the best investment for a sustainable future. In order to bring in renewable energy and upgrade the water lifting technology used in the agriculture sector, we entered a partnership with Claro Energy Pvt. Ltd for installation of solar water pumps in the farms of 2 farmers from villages Umra and Sultanpur. The 5HP solar pumps will irrigate around 44 acres of agriculture land and will help accrue savings of around Rs. 1,00,000/- (One Lakh) by eliminating the cost incurred in the purchase of diesel on a yearly basis. Monetary savings and reduced environmental impact make this project a win-win situation.

Promoting Gender Equality and Empowering Women

Training Session on 'Saving the Girl Child'

In partnership with the Institute of Social Services, workshops and trainings were organized for the young girls and women of various communities. Trainings were imparted on various topics like saving the girl child, women and health, adolescent girls and personal hygiene, women and education, and responsible behavior. Each training program was attended by around 22-25 individuals. We hope that our efforts in this front reap promising results in the years to come.

Promoting Preventive Health Care

'Bujho, Jaano, Samjho': HIV and AIDS Intervention

In partnership with Modicare Foundation, under the project titled 'Bujho Jaano Samjho', an HIV and AIDS intervention program was executed to coach the identified volunteers as master trainers and create consciousness among the community about HIV/AIDS through awareness camps and sessions. The project also established linkages with the existing service providers of nearby areas and provided counseling and referral services to the target population through these awareness camps. 16 master trainers were identified for the program. The volunteers are from HRD, CRD, JIPL, CSR, farmers' community, youth clubs and other NGOs. 2252 people have been sensitized through one-on-one interactions and group sessions by master trainers. 6 awareness-cum-health camps were also organized at various locations and 1155 participants were covered.



Rural Development Programme

Promotion of Art and Culture of Theatre with a cause – 'Save the Girl Child'

Vidya Devi Jindal School, Hisar, in partnership with the Abhinaya Rang Manch, has launched a project to promote art and culture through a 'theater on bike' initiative. The prime objective was to sensitize people towards female foeticide and drive across the message of saving the girl child.

Agriculture Development Project

In partnership with the Gram Unnati Foundation, we are planning to implement a project for increasing farmers' incomes through improved farming practices and market linkages, in 29 villages in and around Hisar. Rigorous research was conducted to finalise the villages. Our team visited 36 villages and interacted with all important stakeholders, including the Sarpanch, Numbardar and local farmers for finalizing the villages. They collected relevant information related to soil, water, topography of the area, farming system and pattern to make informed choices for mapping the locations to the respective programs and initiatives.



Chairperson Emeritus

Mrs. Savitri Devi Jindal

Chairman

Mr. Ratan Jindal

Managing Director

Mr. Abhyuday Jindal

Whole Time Director

Mr. Jagmohan Sood

Directors

Mrs. Deepika Jindal

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

Mr. Girish Sharma

Mr. Arunendra Kumar

Mr. Nirmal Chandra Mathur

Mrs. Arti Luniya

Company Secretary

Mr. Bhartendu Harit

Working Capital Bankers

Axis Bank

Bank of Baroda

Canara Bank

ICICI Bank

Punjab National Bank

State Bank of India

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

Secretaries

Cost Auditors

M/s Ramanath Iyer & Co.

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 is hereby given that the **5th Annual General Meeting** of members of **Jindal Stainless (Hisar) Limited** will be held on **Thursday, the 27th day of September, 2018 at 12:30 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, 2018, 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, 2018 and the reports of the Auditors thereon.
2. To appoint a Director in place of Mrs. Deepika Jindal (DIN: 00015188), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTIONS:

3. AS A SPECIAL RESOLUTION:

APPOINTMENT OF MR. ABHYUDAY JINDAL AS THE MANAGING DIRECTOR OF THE COMPANY.

"RESOLVED that pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 ("the Act"), the rules made thereunder read with Schedule V to the Act, the Articles of Association of the Company and subject to all requisite consents and approvals, the consent of the Members of the Company be and is hereby accorded to the appointment of Mr. Abhyuday Jindal (DIN: 07290474) as Managing Director of the Company, for a period of three years with effect from 26th April, 2018 at remuneration and other terms and conditions as mentioned below:

1. Period of appointment: 3 years with effect from 26th April, 2018 to 25th April, 2021.
2. Remuneration:
 - (a) **Annual Fixed Pay** (inclusive of basic salary, perquisites, allowances and other benefits): upto ₹ 6,00,00,000 (Rupees Six Crore only), payable on monthly basis.
 - (b) **Retirement / Other benefits:** Gratuity, provident fund, leave encashment and other benefits as per the applicable policies and rules of the Company.
 - (c) **Commission:** To be paid periodically after approval of quarterly results of the Company by the Board, as may be determined by the Board of Directors of the Company and/or Nomination and Remuneration Committee of the Company.
3. The remuneration payable to Mr. Abhyuday Jindal shall not exceed 4% of the net profits of the Company computed in accordance with Section 198 of the Act. Provided that the total remuneration payable to all the executive Directors, including Mr. Abhyuday Jindal shall not exceed 10% of the net profits so computed.

The total remuneration drawn by Mr. Abhyuday Jindal during a financial year from the Company and Jindal Stainless Limited ("JSL"), where he is also a Managing Director, shall not exceed the higher of the admissible limit from any one of the Company or JSL, in terms of the provisions of Section V of Part II of Schedule V to the Act.

4. He shall be entitled to reimbursement of all expenses incurred by him while performing his duties and such reimbursement will not form part of his remuneration.
5. The premium paid by the Company for Directors & Officers' Liability Insurance will not be treated as part of the remuneration payable to Mr. Abhyuday Jindal, in terms of Section 197(13) of the Act.
6. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
7. He shall be liable to retire by rotation. However, retirement by rotation and re-appointment shall not be deemed to be a break in service as Managing Director.

"RESOLVED FURTHER that in the event of inadequacy or absence of profits under Section 197 of the Act in any financial year or years, the remuneration as approved herein be paid as minimum remuneration to Mr. Abhyuday Jindal, subject to receipt of requisite approvals under the Act."

"RESOLVED FURTHER that the Board of Directors and/or Nomination and Remuneration Committee of the Company be and is hereby authorized to vary and/or revise the remuneration of Mr. Abhyuday Jindal within above limits and settle any question or difficulty in connection therewith and incidental thereto."

4. AS AN ORDINARY RESOLUTION:

APPOINTMENT OF MR. JAGMOHAN SOOD AS DIRECTOR.

"RESOLVED that pursuant to the provisions of Sections 152, 161 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Jagmohan Sood (DIN: 08121814), who was appointed as an Additional Director w.e.f. 15th May, 2018 by the Board upon identification by the Nomination and Remuneration Committee ("Committee") of the Company after satisfying the criteria laid down by the Committee and whose term expires at this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. AS AN ORDINARY RESOLUTION:

APPOINTMENT OF MR. JAGMOHAN SOOD AS THE WHOLE TIME DIRECTOR OF THE COMPANY.

"RESOLVED that pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder, read with Schedule V to the Act and the Articles of Association of the Company and subject to all requisite consents and approvals, consent of Members of the Company be and is hereby accorded to the appointment of Mr. Jagmohan Sood (DIN: 08121814) as Whole Time Director for a period of three years with effect from 15th May, 2018 at remuneration and other terms and conditions as mentioned below:

1. Period of appointment: Three years with effect from 15th May, 2018 to 14th May, 2021.
2. Remuneration:
 - (a) **Annual Fixed Pay** (inclusive of basic salary, perquisites, allowances and other benefits): Upto ₹ 2 Crore (Rupees Two Crore only), payable on monthly basis.
 - (b) **Variable Pay** (Performance Linked Incentive): To be paid as per Profit Linked Variable Reward Scheme of the Company as may be determined by the Board and/or Nomination and Remuneration Committee of the Company, from time to time.
 - (c) **Retirement/Other benefits**: Gratuity, provident fund, leave encashment, group personal accident insurance, mobile phone expenses, medical insurance and other benefits as per the applicable policies and rules of the Company.
3. He shall be entitled to reimbursement of all expenses incurred by him while performing his duties and such reimbursement will not form part of his remuneration.
4. The premium paid by the Company for Directors & Officers' Liability Insurance will not be treated as part of the remuneration payable to Mr. Jagmohan Sood, in terms of Section 197(13) of the Act.

5. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
6. He shall be liable to retire by rotation. However, retirement by rotation and re-appointment shall not be deemed to be a break in service as Whole Time Director.
7. The remuneration payable to Mr. Jagmohan Sood shall not exceed 4% of the net profits of the Company computed in accordance with Section 198 of the Act. Provided that the total remuneration payable to all the executive Directors, including Mr. Jagmohan Sood shall not exceed 10% of the net profits so computed.

“**RESOLVED FURTHER** that in the event of inadequacy or absence of profits under Section 197 of the Act in any financial year or years, the remuneration as approved herein be paid as minimum remuneration to Mr. Jagmohan Sood, subject to receipt of requisite approvals under the said Act.”

“**RESOLVED FURTHER** that the Board and/or Nomination and Remuneration Committee of the Company be and is hereby authorized to vary and/or revise the remuneration of Mr. Jagmohan Sood within the above limits and settle any question or difficulty in connection therewith and incidental thereto.”

6. AS AN ORDINARY RESOLUTION:

APPOINTMENT OF MRS. ARTI LUNIYA AS AN INDEPENDENT DIRECTOR.

“**RESOLVED** that pursuant to the provisions of Sections 149, 152 and all other applicable provisions, if any, and Schedule IV to the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Arti Luniya (DIN: 05341955), who was appointed as an Additional Director (Independent) w.e.f. 26th July, 2018 by the Board of Directors upon identification by the Nomination and Remuneration Committee (“Committee”) of the Company after satisfying the criteria laid down by the Committee, be and is hereby appointed as an Independent Director of the Company, whose office shall not be liable to retire by rotation, to hold office for a term of three consecutive years w.e.f. 26th July, 2018 till 25th July, 2021.”

7. AS A SPECIAL RESOLUTION:

REAPPOINTMENT OF MAJ. GEN. KANWALJIT SINGH THIND, VSM (RETD.) AS AN INDEPENDENT DIRECTOR.

“**RESOLVED** that pursuant to the provisions of Sections 149, 152 and all other applicable provisions, if any, and Schedule IV to the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) (DIN: 06969654), who was appointed as an Additional Director (Independent) w.e.f. 2nd November, 2017 by the Board of Directors upon recommendations of the Nomination and Remuneration Committee of the Company (“Committee”) after satisfying the criteria laid down by the Committee, be and is hereby reappointed as an Independent Director of the Company, whose office shall not be liable to retire by rotation, to hold office for a term of three consecutive years w.e.f. 2nd November, 2017 till 1st November, 2020.”

8. AS A SPECIAL RESOLUTION:

APPROVAL FOR PAYMENT OF COMMISSION TO MR. RATAN JINDAL, CHAIRMAN (NON-EXECUTIVE) OF THE COMPANY AS PER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS REGULATIONS, 2015, AS AMENDED).

“**RESOLVED** that in accordance with the provisions of Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the applicable provisions of the Companies Act, 2013 and relevant Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force, and subject to all necessary consents and approvals, consent of the Members of the Company be and is hereby accorded for payment of commission to Mr. Ratan Jindal, Non-Executive Chairman of the Company, for the period from 1st April, 2019 to 31st March, 2020, upto 4% of the net profits of the Company, as calculated in terms of provisions of Section 198 of the Companies Act, 2013, as may be approved by the Nomination and Remuneration Committee of the Company, from time to time keeping in mind the performance of the Company and all other prevailing scenarios.”

9. AS AN ORDINARY RESOLUTION:

RATIFICATION OF REMUNERATION PAYABLE TO M/S RAMANATH IYER & CO., COST ACCOUNTANTS, AS COST AUDITORS OF THE COMPANY, FOR THE FINANCIAL YEAR 2018-19.

“RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 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 payable to M/s Ramanath Iyer & Co., Cost Accountants (FRN: 000019) as Cost Auditors, appointed by the Board of Directors of the Company on recommendation of the Audit Committee for conducting audit of cost accounting records of the Company for the financial year 2018-19, be and is hereby ratified.”

“RESOLVED FURTHER that Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be necessary to give effect to this resolution.”

10. AS A SPECIAL RESOLUTION:

INCREASE IN THE AGGREGATE LIMIT FOR INVESTMENT INTO THE COMPANY BY THE FOREIGN PORTFOLIO INVESTORS (“FPIs”) UPTO 100% OF THE PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY ON A FULLY DILUTED BASIS.

“RESOLVED that pursuant to the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEMA Regulations”), the Consolidated Foreign Direct Investment Policy, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, from time to time (“FDI Policy”) and other applicable laws, rules, regulations, press notes, guidelines, notifications, circulars, clarifications and directions issued from time to time by competent authorities (including any amendments thereto or re-enactment thereof) and subject to the conditions, as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions, which may be agreed to by the Board of Directors of the Company (the “Board”, which term shall be deemed, to include any Committee of the Board), the consent of the Members of the Company be and is hereby accorded, to increase the aggregate limit for investment into the Company by Foreign Portfolio Investors (“FPIs”) (as defined and registered under the relevant regulations prescribed by the Securities and Exchange Board of India (“SEBI”), upto 100% of the paid up equity share capital of the Company on a fully diluted basis.”

“RESOLVED FURTHER that the Board be and is hereby authorized to take such steps as may be necessary and/or desirable to give effect to the aforesaid resolution.”

11. AS AN ORDINARY RESOLUTION:

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

“RESOLVED that pursuant to the provisions of Section 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the Members of the Company be and is hereby accorded to the Board of Directors, to enter into one or more contracts / arrangements / transactions with the following related parties for the amounts stated hereunder:

Sr. No.	Name of the Related Party	Amount (₹ in Crore)
1	Jindal Stainless Steelway Limited (“JSSL”)	1,500
2	Jindal Stainless Limited (“JSL”)	3,500
3	Jindal United Steel Limited (“JUSL”)	1,200

during the financial year 2018-19 on such terms and conditions as may be mutually agreed upon between the Company and JSSL, JSL and JUSL.”

“RESOLVED FURTHER that the Board of Directors of the Company 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, JSL and JUSL within the aforesaid limits.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things as may be necessary to give effect to this resolution.”

12. AS AN ORDINARY RESOLUTION:

RATIFICATION OF MATERIAL RELATED PARTY CONTRACTS /ARRANGEMENTS/ TRANSACTIONS ENTERED INTO DURING THE FINANCIAL YEAR 2017-18.

“**RESOLVED** that subject to the provisions of Section 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), the consent of the Members of the Company be and is hereby accorded for ratification of the contracts / arrangements / transactions entered into with Jindal Stainless Limited, related party of the Company, for an amount of ₹2600 Crore during the financial year 2017-18, which exceeded the limits of materiality as defined under SEBI LODR and as approved by Shareholders at the Annual General Meeting held on 26th September, 2017.”

“**RESOLVED FURTHER** that the Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things as may be necessary to give effect to this resolution.”

Registered Office:

O.P. Jindal Marg
Hisar-125005, Haryana.
August 8, 2018

By order of the Board

Bhartendu Harit
Company Secretary
Membership No. A15123

NOTES:

1. At the 2nd AGM, M/s. Lodha & Co. (Firm Regn. No. 301051E) and M/s. S.S. Kothari Mehta & Co. (Firm Regn. No. 000756N) were appointed as Joint Statutory Auditors of the Company and M/s. N. C. Aggarwal & Co. (Firm Regn. No. 003273N) were appointed as Branch Auditor for Visakhapatnam division of the Company for a term of five years until the conclusion of 7th AGM of the Company.

The ratification of their appointment, pursuant to Section 139 of the Companies Act, 2013, is not required, in terms of Notification No. S.O. 1833(E) dated May 7, 2018, issued by the Ministry of Corporate Affairs and accordingly, the item has not been included in the Ordinary Business of this AGM Notice.

2. 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") of the persons seeking re-appointment / appointment as Directors are also attached. The Company has received relevant disclosures / consents from the Directors seeking re-appointment / appointment.

3. **A member entitled to attend and vote at the AGM 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.

4. The Attendance Slip and Proxy Form with clear instructions for filling, stamping, signing and / or depositing the Proxy Form are enclosed.
5. 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 AGM.
6. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send to the Company / Link Intime India Private Limited, Company's Registrar and Share Transfer Agent ('Registrar'), in advance, a duly certified copy of the relevant Board Resolution / Letter of Authority / Power of Attorney, together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
7. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and the Share Transfer books of the Company will remain closed from Monday, September 17, 2018 to Tuesday, September 18, 2018 (both days inclusive) for the purpose of 5th AGM of the Company.
8. Route map and details of prominent land mark of the venue of meeting is annexed with this Notice.

9. **The Securities and Exchange Board of India ('SEBI') has mandated submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.**

10. **SEBI has also mandated that requests for effecting transfer of securities (except transmission or transposition of securities) shall not be processed after December 5, 2018, unless the securities are held in dematerialized form. Hence, the Members holding shares in physical form are requested to convert their holdings to dematerialized form at the earliest.**

11. Under the 'Green Initiative' of the Ministry of Corporate Affairs, Notice of AGM is being sent to the members who have registered email ids, through email and to all other members by Regd. Post. Members who have not registered their email addresses with the Company can now register the same by submitting a duly filled-in request form with the Registrar. Members holding shares in demat form are requested to register their email addresses with their Depository Participant(s) only.

12. All documents referred to in the accompanying Notice and the Explanatory Statement are open to inspection by the members at the registered office and corporate office of the Company on all working days up to the date of AGM between 11.00 A.M. and 5.00 P.M.

13. 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 Company's website www.jshlstainless.com. However, the duly completed Ballot Form should reach the registered office of the Company not later than 26th day of September, 2018 (5.00 p.m.). A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.
14. 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 September 20, 2018 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.
15. In case of joint holders attending the Meeting, only the Member whose name appears first will be entitled to vote.
16. 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.
17. 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.

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

Item No. 3

The Board of Directors had appointed Mr. Abhyuday Jindal as Non Executive Vice Chairman of the Company with effect from 2nd November, 2015 which was approved by the Shareholders of the Company in their Annual General Meeting held on 30th December, 2015.

To further strengthen the management team, the Board at its meeting held on April 26, 2018, appointed Mr. Abhyuday Jindal as the Managing Director of the Company for a period of three years w.e.f. April 26, 2018, on terms and conditions recommended by the Nomination and Remuneration Committee, subject to the requisite approvals.

Mr. Abhyuday Jindal is also Managing Director of Jindal Stainless Limited ("JSL"). In terms of the provisions of Section V of Part II of Schedule V to the Companies Act, 2013 ("the Act"), he can draw remuneration from either or both the Company and JSL, provided that the total remuneration drawn from the Company and JSL does not exceed the higher of the admissible limit from any one of the Company or JSL.

Mr. Abhyuday Jindal is not disqualified from being appointed as Managing Director in terms of Section 196 of the Act and has given his consent to act as Managing Director. Mr. Abhyuday Jindal is also not debarred from holding the office of a director by virtue of any SEBI Order or any other authority.

In terms of recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if the annual remuneration payable to such executive director exceeds ₹5 Crore or 2.5% of the net profits of the Company, whichever is higher. The remuneration payable to Mr. Abhyuday Jindal may exceed the said limits. Accordingly, the shareholders approval by way of special resolution is sought for payment of remuneration to Mr. Abhyuday Jindal.

Profile of Mr. Abhyuday Jindal and other 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 is given under the head "Additional Information".

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

There is no contract of service in writing with Mr. Abhyuday Jindal. The terms set out in the resolution may be treated in compliance of Section 190 of the Act.

Your Directors recommend the resolution set out at Item No. 3 as a Special Resolution for your approval.

Mr. Abhyuday Jindal is interested in the resolution set out at Item No. 3 of this notice. Mr. Ratan Jindal and Mrs. Deepika Jindal, being related to Mr. Abhyuday Jindal may be deemed to be interested in the said resolution. The other relatives of Mr. Abhyuday Jindal may be deemed to be interested in the said resolution of this notice to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the above referred resolution.

Item Nos. 4 & 5

The Board of Directors at its meeting held on April 26, 2018, appointed Mr. Jagmohan Sood as an Additional Director with effect from May 15, 2018, pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and Articles of Association of the Company. The Board also appointed Mr. Jagmohan Sood as the Whole Time Director of the Company for a period of three years w.e.f. May 15, 2018, on terms and conditions recommended by the Nomination and Remuneration Committee, subject to the requisite approvals. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member proposing his candidature for the office of Director.

In terms of the provisions of Section 161(1) of the Act, Mr. Jagmohan Sood will hold office up to the date of the ensuing AGM of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director. Mr. Sood is also not debarred from holding the office of a director by virtue of any SEBI Order or any other authority.

Profile of Mr. Jagmohan Sood and other 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 are given under the head "Additional Information".

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

There is no contract of service in writing with Mr. Jagmohan Sood. The terms set out in the resolution may be treated in compliance of Section 190 of the Act.

Your Directors recommend the resolutions at Item Nos. 4 and 5 as Ordinary Resolutions for your approval.

Mr. Jagmohan Sood is interested in the resolutions set out at Item Nos. 4 and 5 of this Notice with regard to his appointment. Relatives of Mr. Sood may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the above referred resolutions.

Item No. 6

The Board of Directors had appointed Mrs. Arti Luniya (DIN No.: 05341955) as an Additional Director (Independent) with effect from 26th July, 2018 on recommendations of the Nomination and Remuneration Committee of the Company. In terms of provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), she will hold office up to the date of this AGM. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member proposing Mrs. Luniya's candidature for the office of Director.

In terms of Section 149 of the Act read with Schedule IV thereto and the Companies (Appointment and Qualification of Directors), Rules 2014, an Independent Director can hold office for a period of up to 5 consecutive years and shall not be liable to retire by rotation.

The Board of Directors considered the matter of her appointment in its meeting held on July 26, 2018 on recommendation of the Nomination and Remuneration Committee and felt that her association would be of immense benefit to the Company and recommended her appointment as Independent Director under Section 149 of the Act, whose office shall not be liable to retirement by rotation, for a term of 3 (three) consecutive years commencing from July 26, 2018 till July 25, 2021. In the opinion of the Board, she fulfils the conditions of appointment as an Independent Director as specified in the Act, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

Mrs. Arti Luniya is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director. The Company has also received declaration from her that she meets the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mrs. Luniya is also not debarred from holding the office of a director by virtue of any SEBI Order or any other authority.

Her brief resume, educational and professional qualifications, nature of her work experience etc. is given under the head "Additional Information".

Copy of the draft letter of appointment setting out the terms and conditions for the appointment of Mrs. Arti Luniya as an Independent Director is available for inspection by the Members at the Registered Office and Corporate Office of the Company during normal business hours on working days upto the date of this AGM.

Your Directors recommend the resolution set out at Item No. 6 as an Ordinary Resolution for your approval.

Mrs. Arti Luniya is interested in the resolution set out at Item No. 6 of this Notice with regard to her appointment. Relatives of Mrs. Arti Luniya may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the above referred resolution.

Item No. 7

In terms of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors), Rules 2014, the Independent Directors shall hold office for a period of up to 5 consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of up to 5 years each. Further, in terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the tenure of independent directors shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard, from time to time.

Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) (DIN: 06969654) had joined the Board of Directors of the Company on 2nd November, 2015 as a Non-Executive Independent Director. He was appointed as an Independent Director for a term of 2 years commencing from 2nd November, 2015. His appointment was approved by the Shareholders at the 2nd Annual General Meeting of the Company held on 30th December, 2015. The 1st term of his appointment was upto 1st November, 2017.

The Board of Directors, on recommendations of Nomination and Remuneration Committee, re-appointed him as an Additional Director (Independent) with effect from 2nd November, 2017 to hold office till the conclusion of the ensuing Annual General Meeting of the Company.

Further, the Board of Directors at its meeting held on 26th July, 2018, on recommendations of the Nomination and Remuneration Committee and keeping in view his performance, skills, experience and contributions, approved seeking the consent of Members for reappointment of Mr. Thind as an Independent Director for a further period of three years with effect from 2nd November, 2017, whose office shall not be liable to retire by rotation.

In the opinion of the Board, his continued association would be of immense benefit to the Company. Mr. Thind fulfills conditions of appointment as Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declaration from him that he meets the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member proposing Mr. Thind's candidature for the office of Director. Mr. Thind is also not debarred from holding the office of a director by virtue of any SEBI Order or any other authority.

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

Your Directors recommend the resolution set out at Item No. 7 as a Special Resolution for your approval.

Mr. Thind is interested in the resolution set out at Item No. 7 of this Notice with regard to his appointment. His relatives may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the above referred resolution.

Item No. 8

The Board of Directors had appointed Mr. Ratan Jindal as a Director in the capacity of Non-Executive Chairman with payment of commission on net profits of the Company with effect from 2nd November, 2015. The Shareholders of the Company at the 2nd Annual General Meeting held on 30th December, 2015 approved his appointment as well as accorded their approval for payment of commission to him upto 4% of the

net profits of the Company, as calculated in terms of provisions of Section 198 of the Companies Act, 2013, every year for a period of five years commencing from 1st April, 2015 till 31st March, 2020.

In terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("SEBI Amendment Regulations"), effective April 1, 2019, consent of the Members by way of Special Resolution is required every year if the remuneration payable to a single Non-Executive Director in that year exceeds 50% of the aggregate remuneration payable to all the Non-Executive Directors taken together.

The remuneration payable to Mr. Ratan Jindal for the financial year 2019-20 is likely to exceed 50% of the aggregate remuneration payable to all the Non-Executive Directors taken together. The members may please note that no increase is being proposed in the remuneration payable to Mr. Ratan Jindal and will be within the limits as already approved by the shareholders. The approval of the shareholders is being taken to ensure compliance of the SEBI Amendment Regulations.

Known for his technical proficiency and intimate knowledge of customers and markets, Mr. Ratan Jindal is synonymous with stainless steel in India. As a vanguard of innovation in stainless steel industry, his focus has not only been on producing world class stainless steel products but also on promoting the usage of stainless steel in myriad applications. Mr. Ratan Jindal is a leading industrialist of India, having a rich industrial experience of more than 35 years. Mr. Jindal's strategic guidance over the years has added value to the Company and has been instrumental in developing strategic alliances and affiliations.

His vision of developing indigenous technology through R&D has been the backbone of success of the Company.

The Company is now ready for launch into the next phase of growth and this brings in new challenges as well as opportunities. Mr. Jindal in his role as a Non-Executive Chairman not only offers the Company benefits arising out of his deep insight into the business for developing new strategies for launching the Company on new growth path across various geographies & product segments but also plays an important role in mentoring the leadership team of the Company. Mr. Ratan Jindal's experience and wisdom in the stainless steel industry will immensely benefit the Company to move upward in its growth trajectory and achieve its Vision – "Improving lives through trustworthy and innovative stain-less solutions".

In view of the above, the Board of Directors of the Company at their meeting held on 26th July, 2018, on recommendation of the Nomination and Remuneration Committee approved seeking the consent of Members in terms of above mentioned provisions of SEBI Amendment Regulations by way of special resolution for payment of remuneration as earlier approved by members at the 2nd Annual General Meeting held on 30th December, 2015.

Brief resume, educational and professional qualifications, nature of his work experience etc. of Mr. Ratan Jindal are given under the head "Additional Information".

Your Directors recommend the resolution set out at Item No. 8 as Special Resolution for your approval.

Mr. Ratan Jindal is interested in the resolution set out at Item No. 8 of this notice. Mrs. Deepika Jindal and Mr. Abhyuday Jindal, being related to Mr. Ratan Jindal may be deemed to be interested in the said resolution. The other relatives of Mr. Ratan Jindal may be deemed to be interested in the said resolution of this notice to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the above referred resolution.

Item No. 9

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 April 26, 2018, on the basis of recommendations of the Audit Committee appointed M/s. Ramanath Iyer & Co., Cost Accountants, as Cost Auditors to conduct audit of cost records of the Company for the financial year 2018-19 and subject to ratification by Members, fixed their remuneration at ₹1,75,000 (Rupees One Lakh Seventy Five Thousand).

Your Directors recommend the resolution set out at Item No. 9 as an Ordinary Resolution for your 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. 10

As per the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") and the Consolidated Foreign Direct Investment Policy, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, from time to time, the total investment by all Foreign Portfolio Investors ("FPIs") registered with the Securities and Exchange Board of India under Schedule 2 of the FEMA Regulations, is required to not exceed 24% of the paid-up

equity share capital of the Company on a fully diluted basis. However, this limit is permitted to be increased to the sectoral cap/statutory ceiling, as applicable, after approval by the Board of Directors and members of the Company by way of a special resolution and intimation to the Reserve Bank of India.

To attract foreign investments in the Company and to make more space for the FPIs to invest in the equity share capital of the Company, it is proposed to enhance the investment limits of FPIs in the Company, under Schedule 2 of the FEMA Regulations, to upto 100% of the paid-up equity share capital of the Company on a fully diluted basis (being the extent of permissible limits of foreign investment into the Company as per applicable laws). This would help in widening the investor base of the Company, and consequently it will facilitate/ benefit the shareholders and the Company.

With a view to enable FPIs to purchase/ acquire securities upto 100% of the paid up equity capital of the Company on a fully diluted basis (being the extent of permissible limit of foreign investment into the Company as per applicable laws) of the Company thereby also ensuring better liquidity for the Company's shares/ debentures, the Board recommends the resolution, as set forth in Item No.10 of this Notice, for approval by the Members of the Company as a special resolution.

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

Item No. 11

The Company in the ordinary course of its business and on arm's length basis enters into transactions for sale / purchase of goods / services / allocating common corporate expenditure with related parties including Jindal Stainless Steelway Limited ("JSSL"), Jindal Stainless Limited ("JSL") and Jindal United Steel Limited ("JUSL").

JSSL and JSL are 'Related Parties' of the Company in terms of the provisions of Section 2(76) of the Companies Act, 2013 ("the Act") and JUSL is 'Related Party' of the Company in terms of Indian Accounting Standards ("IND-AS").

The value of the transactions proposed, which will be on an arm's length basis, are based on the Company's estimated transaction value for FY 2018-19 arrived at on the basis of the value of transactions with such related parties during the financial year 2017-18.

Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") provides that all material related party transactions shall require approval of the shareholders through ordinary resolution. The explanation to Regulation 23(1) of the SEBI Regulations 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, in terms of first proviso to Section 188 of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the contracts or arrangements exceeding the sums as may be prescribed, shall be approved by the shareholders of the Company. The above mentioned contracts between the Company and the 'Related Parties' are likely to exceed the thresholds of materiality limits as defined under the SEBI Regulations / Act / Rules and the Policy on dealing with Related Party Transactions of the Company.

Your Directors recommend the resolution set out at Item No. 11 as an Ordinary Resolution for your approval.

Mr. Ratan Jindal, Chairman and Managing Director of Jindal Stainless Limited and Mr. Abhyuday Jindal who is Managing Director of Jindal Stainless Limited along with their relatives are interested in the resolution set out at Item No. 11 of this notice to the extent of their shareholding interest, if any, in the Company. Mr. Ratan Jindal, Director of Jindal United Steel Limited; and Mrs. Deepika Jindal, Director and Mr. Kanwaljit Singh Thind and Mr. N.C. Mathur, Independent Directors of Jindal Stainless Steelway Limited along with their relatives are interested in the resolution set out at Item No. 11 of this notice to the extent of their shareholding interest, if any, in the Company and the referred 'Related Parties'.

The other Directors/ Key Managerial Personnels of the Company/ their relatives are not concerned or interested, financially or otherwise, in the above referred resolution, except to the extent of their shareholding interest, if any, in the company.

Item No. 12

The Company in the ordinary course of its business and on arm's length basis, enters into transactions for sale / purchase of goods / services / allocating common corporate expenditure with related parties including Jindal Stainless Limited ("JSL").

Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") provides that all material related party transactions shall require approval of the shareholders through ordinary resolution. The explanation to Regulation 23(1) of the SEBI Regulations 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, in terms of first proviso to Section 188 of the Companies Act, 2013 ("Act") read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the contracts or arrangements exceeding the sums as may be prescribed, shall be approved by the shareholders of the Company.

JSL is a 'Related Party' of the Company in terms of Section 2(76) of the Act. The Shareholders of the Company had at Annual General Meeting held on September 26, 2017, approved the related party contracts / arrangements / transactions proposed to be entered into with JSL during the financial year 2017-18, for an amount of ₹2,000 Crore. During the financial year 2017-18, to meet the business need of the Company, the material related party contracts / arrangements / transactions with JSL exceeded the limits approved by the Shareholders by ₹600 Crore.

The aforesaid material related party contracts / arrangements / transactions with JSL have already been ratified by the Audit Committee and Board of Directors of the Company at their respective meetings held on April 26, 2018.

Approval of the Members is therefore being sought in terms of explanation to Regulation 23(1) of the SEBI Regulations, by way of an Ordinary Resolution. The Board recommends the resolution set out at Item No. 12 as an Ordinary Resolution to the members for their approval.

Mr. Ratan Jindal, Chairman and Managing Director of Jindal Stainless Limited and Mr. Abhyuday Jindal who is Managing Director of Jindal Stainless Limited along with their relatives are interested in the resolution set out at Item No. 12 of this notice to the extent of their shareholding interest, if any, in the Company and the referred 'Related Parties', for contracts with JSL.

The other Directors/ Key Managerial Personnels of the Company/ their relatives are not concerned or interested, financially or otherwise, in the above referred resolution, except to the extent of their shareholding interest, if any, in the company.

Information required under the Companies Act, 2013 read with Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 for Item No. 11 & 12:

S.No.	Particulars	Information		
1.	Name of Related Party	Jindal Stainless Limited ("JSL")	Jindal Stainless Steelway Limited ("JSSL")	Jindal United Steel Limited ("JUSL")
2.	Name of Director or Key Managerial Personnel who is related, if any	Mr. Ratan Jindal, Chairman of the Company is also Chairman and Managing Director of JSL. Mr. Abhyuday Jindal, Managing Director of the Company is also Managing Director of JSL.	Mrs. Deepika Jindal, Director; Mr. Kanwaljit Singh Thind and Mr. N.C. Mathur, Independent Directors of the Company are also Directors of JSSL.	Mr. Ratan Jindal, Chairman of the Company is also Director of JUSL.
3.	Nature of relationship	JSL is an Associate company of the Company. Mr. Ratan Jindal, Chairman of the Company is also Chairman and Managing Director of JSL. Mr. Abhyuday Jindal, Managing Director of the Company is also Managing Director of JSL.	JSSL is a subsidiary of the Company.	JUSL is related party of the Company as per IND-AS.
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	As specified in the resolutions at Item Nos. 11 and 12 of this Notice		
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	The transactions will be / were mere at arm's length basis and in the ordinary course of business		

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 for Item Nos. 2 to 8.

Brief Profile of directors, being appointed/ re-appointed and the director, in respect of whom proposal is there for payment of remuneration:

Name of Director	Mr. Abhyuday Jindal
DIN	07290474
Brief Resume	<p>A Boston University graduate in Economics and Business Management. Mr. Abhyuday Jindal has a wide ranging experience in the areas of the project management, supply chain systems and strategic & general management.</p> <p>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.</p> <p>Having gained a deep understanding of the industrial manufacturing arena, Mr. Abhyuday Jindal entered the USD 3 billion Jindal Stainless Group as a Management Trainee. Driven by the ambition to go beyond the ordinary, Mr. Abhyuday Jindal took multiple strides in improving supply chain and operational efficiencies. Today, he is shaping the Company into a far more dynamic, responsive, predictive and solution-based organization. Currently, he is also the Managing Director of Jindal Stainless Limited. He personifies open and participative management, a consistent culture of dialogue and feedback, and a relentless march towards continuous improvement.</p> <p>Strongly rooted in the Indian soil, Mr. Abhyuday Jindal community-centric transformational approach has led to the development and sustenance of several empowerment initiatives in and around the Company's production facilities. His signature style has entered him further among employees. He further personifies open and participative management, a consistent culture of dialogue and feedback, and a relentless march towards continuous improvement.</p> <p>Mr. Jindal also serves as the Vice President of the Infrastructure Industry and Logistics Federation of India, endeavouring to forge stronger and wider public-private partnerships.</p>
Date of Birth (Age in years)	April 4, 1989 (29)
Qualification	Boston University graduate in Economics and Business Management
Experience and expertise in specific functional area	Business management
Terms and conditions of appointment	Please refer to the resolution at Item No. 3 for details.
Details of remuneration and remuneration last drawn	Details mentioned in Corporate Governance Report.
Date on which first appointed on the Board	November 2, 2015 (As Non- Executive Vice Chairman)
Details of shareholding in the Company	22,180 equity shares of ₹ 2 each
Relationship with other Directors/Key Managerial Personnel (if any)	Mr. Abhyuday Jindal is the son of Mr. Ratan Jindal, Chairman and Mrs. Deepika Jindal, Director of the Company.
Number of Board Meetings attended during the year	3
Details of Directorships / Committee Chairmanship and Memberships in other companies	As detailed herein below

Type of company	Directorships held	Committee Membership	Committee Chairmanship
Listed company	Jindal Stainless Limited	Stakeholders' Relationship Committee	Sub Committee, Share Transfer Committee

Name of Director	Mr. Jagmohan Sood
DIN	08121814
Brief Resume	<p>Mr. Jagmohan Sood has a rich experience of Steel and Stainless Steel industries, spanning more than 27 years.</p> <p>He did his graduation in Metallurgical Engineering in the year 1989 with excellent academic records. After graduation, he joined IIT Mumbai to pursue Masters in Material Technology.</p> <p>Mr. Sood started his professional career with SAIL and spent almost 5 years there. He has been associated with Jindal Group since 1995 and moving through various departments and functions, enriching his experience in the industry, rose to hold the current position.</p>
Date of Birth (Age in years)	October 28, 1967 (50)
Qualification	Graduate in Metallurgical Engineering, Masters in Material Technology
Experience and expertise in specific functional area	Experience in Steel and Stainless Steel industries
Terms and conditions of appointment	Please refer to the resolution at Item No. 5 for details.
Details of remuneration and remuneration last drawn	Prior to his appointment as Whole-time Director, Mr. Jagmohan Sood was working as Chief Operating Officer of the Company and his last drawn remuneration was ₹1.17 Crore.
Date on which first appointed on the Board	May 15, 2018
Details of shareholding in the Company	1,294 equity shares of ₹ 2 each
Relationship with other Directors/Key Managerial Personnel (if any)	He is not related to any other Director or KMP of the Company.
Number of Board Meetings attended during the year	Not Applicable
Details of Directorships / Committee Chairmanship and Memberships in other companies	Nil

Name of Director	Mrs. Arti Luniya
DIN	05341955
Brief Resume	<p>Mrs. Luniya, holds 37 years of steel industry expertise, having worked in Steel Authority of India Ltd. ("SAIL") – a US\$ 8 billion turnover Indian steel company. Besides invaluable experience in sales and marketing of steel, she was responsible for Risk Management and coal procurement function in SAIL, giving her rare insight into the entire supply chain. Being an effective strategist, coupled with her experience of leading strong execution teams, makes her well-equipped for an oversight role.</p> <p>Additionally, she was also an Advisor to Evidence for Policy Design (EPoD) at HARVARD Kennedy School of Public Policy.</p> <p>Mrs. Luniya is Master of Arts (International Relations) from Jawaharlal Nehru University, Delhi.</p>
Date of Birth (Age in years)	February 7, 1956 (62)
Qualification	Master of Arts (International Relations)
Experience and expertise in specific functional area	Expertise in Steel industry
Terms and conditions of appointment	Please refer to the resolution at Item No. 6 for details.
Details of remuneration and remuneration last drawn	Not Applicable
Date on which first appointed on the Board	July 26, 2018

Details of shareholding in the Company	Nil
Relationship with other Directors/Key Managerial Personnel (if any)	She is not related to any other Director or KMP of the Company.
Number of Board Meetings attended during the year	Not Applicable
Details of Directorships / Committee Chairmanship and Memberships in other companies	As detailed herein below

Type of company	Directorships held	Committee Membership	Committee Chairmanship
Private Limited Company	Pinata Services Private Limited	-	-

Name of Director	Maj. Gen. Karwaljit Singh Thind, VSM (Retd.)
DIN	06969654
Brief Resume	<p>Mr. Thind, has over 39 years of experience with progressive leadership, in the domain of Strategic and Operational Management, Human Resource Management, Organizational Development including Financial Planning of Procurement Procedures. He had retired as General Officer Commanding (CEO) from the Indian Army. During his tenure, he successfully served in various fields as CEO of an Army formation (Western Sector). He was also awarded most prestigious honour- Vishisht Seva Medal (VSM) in recognition for the outstanding contribution and devotion to duty in Army.</p> <p>He is a post graduate in Defence Studies from University of Madras and has completed M. Phil in International Relations & Security. He is a keen Cricketer and led Haryana Cricket Team at National level.</p>
Date of Birth (Age in years)	May 14, 1955 (63)
Qualification	Post Graduate in Defence Studies
Experience and expertise in specific functional area	Strategic and Operational Management, Human Resource Management, Organizational Development including Financial Planning of Procurement Procedures
Terms and conditions of appointment	Please refer to the resolution at Item No. 7 for details
Details of remuneration and remuneration last drawn	Details mentioned in Corporate Governance Report.
Date on which first appointed on the Board	November 2, 2015
Details of shareholding in the Company	515 equity shares of ₹2 each
Relationship with other Directors/Key Managerial Personnel (if any)	He is not related to any other Director or KMP of the Company.
Number of Board Meetings attended during the year	4
Details of Directorships / Committee Chairmanship and Memberships in other companies	As detailed herein below

Type of company	Directorships held	Committee Membership	Committee Chairmanship
Unlisted Public Limited Company	Jindal Stainless Steelway Limited	Audit Committee	-
		Nomination and Remuneration Committee	

Name of Director	Mr. Ratan Jindal
DIN	00054026
Brief Resume	<p>A commerce graduate and alumnus of the Wharton School of Management, Mr. Ratan Jindal is Chairman of the Company. He is also the Chairman & Managing Director of Jindal Stainless Limited.</p> <p>Known for his technical proficiency and intimate knowledge of customers and markets, Mr. Ratan Jindal is synonymous with stainless steel in India. As a vanguard of innovation in stainless steel industry, his focus has not only been on producing world class stainless steel products but also on promoting the usage of stainless steel in myriad applications. Mr. Ratan Jindal is a leading industrialist of India, having a rich industrial experience of more than 35 years. Mr. Jindal's strategic guidance over the years has added value to the Company and has been instrumental in developing strategic alliances and affiliations.</p> <p>His vision of developing indigenous technology through R&D has been the backbone of success of the Company.</p>
Date of Birth (Age in years)	July 31, 1961 (57)
Qualification	Commerce graduate and alumnus of the Wharton School of Management
Experience and expertise in specific functional area	Business management
Terms and conditions of appointment	The terms and conditions of appointment and remuneration of Mr. Ratan Jindal have already been approved by the Members at the AGM held on 30 th December, 2015 and are also being approved in the ensuing AGM.
Details of remuneration and remuneration last drawn	Details mentioned in Corporate Governance Report.
Date on which first appointed on the Board	November 2, 2015
Details of shareholding in the Company	74,24,148 equity shares of ₹ 2 each
Relationship with other Directors/Key Managerial Personnel (if any)	Father of Mr. Abhyuday Jindal, Managing Director and husband of Mrs. Deepika Jindal, Director of the Company.
Number of Board Meetings attended during the year	4
Details of Directorships / Committee Chairmanship and Memberships in other companies	As detailed herein below

Type of company	Directorships held	Committee Membership	Committee Chairmanship
Listed company	Jindal Stainless Limited	Nomination and Remuneration Committee	Corporate Social Responsibility Committee
Unlisted public limited company	Sonabheel Tea Limited	-	-
	Jindal Coke Limited	-	Nomination and Remuneration Committee
	Jindal United Steel Limited	-	Nomination and Remuneration Committee
	Om Project Consultants and Engineers Limited	-	-
	OPJ Investments & Holdings Ltd.	-	-
	Nalwa Fincap Limited	-	-
	Nalwa Financial Services Limited	-	-
Private limited company	Jindal Industries Private Limited	-	-
Foreign company	Jindal Stainless UK Limited	-	-
	Jindal Stainless FZE	-	-
	JSL Group Holdings Pte. Limited	-	-

Name of Director	Mrs. Deepika Jindal
DIN	00015188
Brief Resume	<p>Mrs. Deepika Jindal is an Art graduate. She has versatile experience in corporate and business management.</p> <p>Mrs. Deepika Jindal, Managing Director of JSL Lifestyle Limited (brand arttdinox and ARC), subsidiary of the Company, is a name to reckon with when it comes to design. She initiated her design journey with manufacturing lifestyle products in Stainless Steel under the brand name of 'arttd'inox'. It is under her able guidance and vision that arttdinox is one of India's first blended lifestyle stainless steel accessories company having a world standard manufacturing unit producing products exclusively designed by a very able and talented team of designers. Nurturing the brand arttd'inox has grown on to give the country first Luxury Stainless steel modular kitchens and Stainless steel furniture. Under her aegis arttd'inox has won lot of highly acclaimed awards such as EDIDA, India Design Mark, Red Dot (honorary award).</p> <p>Following her passion to promote stainless steel in all its forms, she founded 'The Stainless' an art gallery, where she patronizes artists to create beautiful pieces of art in this material, giving them all infrastructural and financial support.</p> <p>Mrs. Jindal is also the Chairperson of O.P. Jindal Modern School and Vidya Devi Jindal School, Hisar. She's been constantly mentoring the schools into very good educational institutions.</p> <p>She is also the Chairperson of O.P. Jindal Cancer Hospital, N.C. Jindal Institute of Medical Care & Research, a 250 bed Multi Specialty Hospital – giving them the vision and guiding them to provide the best medical care to the people of Hisar and around. Always wanting to give back to the society Mrs. Jindal is the Chairperson of Jindal Stainless Foundation – a CSR wing of Jindal Stainless Limited. Recently under the same arena JSL Lifestyle Limited won the PDH Astitva award under Mrs. Jindal's leadership.</p>
Date of Birth (Age in years)	February 18, 1965 (53)
Qualification	B.A.
Experience and expertise in specific functional area	Corporate and business management
Terms and conditions of appointment	The terms and conditions of appointment of Mrs. Deepika Jindal have already been approved by the Members at the AGM held on 30th September, 2016.
Details of remuneration and remuneration last drawn	Details mentioned in Corporate Governance Report.
Date on which first appointed on the Board	May 1, 2016
Details of shareholding in the Company	69,265 equity shares of ₹ 2 each
Relationship with other Directors/Key Managerial Personnel (if any)	Wife of Mr. Ratan Jindal, Chairman and Mother of Mr. Abhyuday Jindal, Managing Director of the Company.
Number of Board Meetings attended during the year	4
Details of Directorships / Committee Chairmanship and Memberships in other companies	As detailed herein below

Type of company	Directorships held	Committee Membership	Committee Chairmanship
Unlisted Public Limited Company	JSL Lifestyle Limited	-	Sub Committee, Corporate Social Responsibility Committee
	Jindal Stainless Steelway Limited	Corporate Social Responsibility Committee	-
	JSL Limited	-	-
	Synergy Environics Limited	-	-

Registered Office:
O. P. Jindal Marg
Hisar-125005, Haryana
August 8, 2018

By Order of the Board

Bhartendu Harit
Company Secretary
Membership No. A15123

Instructions for E-voting:

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide remote E-Voting facility 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 5th Annual General Meeting of the Company to be held on Thursday, the 27th day of September, 2018. 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 20th September, 2018.

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

- (i) The remote e- voting period begins on 24th September, 2018 at 9.00 a.m. and ends on 26th September, 2018 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 20th September, 2018, 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.
- (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 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 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.
- 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 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 under help section or write an email to helpdesk.evoting@cdslindia.com as well as Company Secretary at O.P. Jindal Marg, Hisar or email at investorcare.jshl@jindalstainless.com.

FOR ATTENTION OF SHAREHOLDERS

1. The register of members and share transfer books of the Company will remain closed from Monday, 17th September, 2018 to Tuesday 18th September, 2018 (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 Schedule VII to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, made it mandatory for the transferees as well as transferors to furnish copy of PAN card to the Company / RTA for registration of transfer of shares in physical form.**

SEBI has also mandated that requests for effecting transfer of securities (except transmission or transposition of securities) shall not be processed after December 5, 2018, unless the securities are held in dematerialized form. Hence, the Members holding shares in physical form are requested to convert their holdings to dematerialized form at the earliest.

6. The Company has created an Email Id. 'investorcare.jshl@jindalstainless.com', which is being used exclusively for the purpose of redressing the complaints of the investors.
7. Members should quote their Folio No. / DP Id-Client Id, 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 AGM.
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 Secretarial Department of the Company at O.P. Jindal Marg, Hisar – 125 005 (Haryana) to obtain the copy of the annual report of the subsidiary companies.

The annual accounts of the subsidiary companies would be open and accessible for inspection by shareholder at registered office and corporate office of the Company during business hours on all working days except Saturdays, Sundays and public holidays upto the date of AGM.

12. Members attending the AGM and desiring to go round the factory, are requested to inform a week in advance so that necessary arrangements are made.
13. **Mandatory updating of PAN and Bank details against your physical holding**

The Securities and Exchange Board of India (SEBI) vide its circular SEBI/HO/DOP1/CIR/P/2018/73 dated 20th April, 2018 mandated that the companies through their Registrar and Transfer Agents ("RTA") should take special efforts for collecting copies of PAN and bank account details for the security of the holders holding securities in physical form. Those security holders whose folio(s) do not have complete details relating to their PAN and Bank Account, or where there is any change in the bank account details provided earlier, have to compulsorily furnish the details to RTA/ Company for registration /updating.

You are therefore requested to submit the following to update the records:

Action required from you:

- KYC Format duly filled in and signed by all the shareholders.
- Self-attested copy of PAN Card of all the holders of the security
- Cancelled Cheque leaf with name (if name is not printed, self-attested copy of the pass book showing the name of the account holder) of the first holder.
- Address proof (self-attested Aadhaar-card) of the first holder.
- Any change in the name of the holders.

Note: You are requested to ignore this communication if you have already updated you details with RTA / Company.

DIRECTORS' REPORT

TO
THE MEMBERS,

Your Directors have pleasure in presenting the 5th Annual Report on the business and operations of your Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2018.

FINANCIAL RESULTS

Your Company's performance for the financial year ended 31st March, 2018 is summarized below:

(₹ in Crore)

Sl. No.	Particulars	For the financial year ended (Standalone)		For the financial year ended (Consolidated)	
		31.03.2018	31.03.2017	31.03.2018	31.03.2017
I	Revenue from operations	9,450.23	7,575.55	10,563.30	8,536.19
II	Other Income	112.20	60.70	116.05	65.00
III	Total Income	9,562.43	7,636.25	10,679.35	8,601.19
IV	Total Expenses	8,972.79	7,328.42	10,025.12	8,272.27
V	EBITDA*	1,139.49	924.30	1,230.64	980.56
VI	Profit before exceptional items, share of profit of an associate and tax	589.64	307.83	654.23	328.92
VII	Share of Profit from Associates	-	-	147.31	50.25
VIII	Exceptional items - Gain	18.44	18.02	19.56	28.27
IX	Profit after exceptional items but before tax	608.08	325.85	821.10	407.44
X	Tax expense	212.38	107.83	233.45	116.96
XI	Net Profit for the year	395.70	218.02	587.65	290.48
XII	Total Other Comprehensive Income	(1.75)	(2.25)	3.50	(2.55)
XIII	Total Comprehensive Income for the year (comprising Profit and other Comprehensive Income for the year)	393.95	215.77	591.15	287.93

*EBITDA = Earnings before Interest, Tax, Depreciation & Amortization and Other Income

FINANCIAL HIGHLIGHTS

During the year, the revenue from operations of your Company on standalone basis has increased by ~ 25% at ₹9,450.23 Crore as compared to ₹7,575.55 Crore during previous financial year 2016-17. The Profit before other income, Finance Cost, Exceptional Items, Tax, Depreciation & Amortisation (EBITDA) on standalone basis stood at ₹1,139.49 Crore as compared to ₹924.30 Crore during previous year. The Net profit on standalone basis stood at ₹395.70 Crore as compared to a net profit of ₹218.02 Crore during previous year.

Further, during the year, the consolidated revenue from operations of your Company has increased by ~ 24% at ₹10,563.30 Crore as compared to ₹8,536.19 Crore during previous financial year 2016-17. Consolidated Profit before other income, Finance Cost, Exceptional Items, Tax Depreciation & Amortization (EBITDA) stood at ₹1,230.64 Crore as compared to ₹980.56 Crore during previous year. The Net profit on consolidated basis stood at ₹587.65 Crore as compared to ₹290.48 Crore during previous year.

Your Company has delivered a strong financial result for the third consecutive year. Your Company has reported a robust growth in PAT at ₹395.70 Crore in financial year 2017-18 as against ₹218.02 Crore during previous financial year 2016-17, registering ~81% increase. EBITDA is up by ~23% at ₹1,139.49 Crore in Financial Year 2017-18.

OPERATIONS

Hisar Division:

Your Company has been able to improve its performance during the year 2017-18. Steel Melting Shop produced 6,97,545 MT as compared to 6,66,678 MT in the previous year. HRAP saleable production during the year 2017-18 was 1,05,765 MT as compared to 1,03,745 MT in the previous year. CRAP Saleable production during the year 2017-18 was 3,20,949 MT as compared to 2,75,345 MT in the previous year.

The Production in Special Product Division during the year 2017-18 was 27,953 MT as compared to 26,665 MT during previous year.

Your Company made rapid strides in Financial Year 2017-18 with a considerable increase in both top line & bottom line numbers. Your Company sold 7,42,704 MT stainless steel products during the financial year as compared to 6,56,880 MT during previous year, achieved 13% growth in volume from the previous year. Your Company not only managed to increase sales but optimized the sales mix to improve its margins in the highly competitive market.

Your Company undertook various capacity enhancement & debottlenecking initiatives which helped to increase much needed wider products in the portfolio. These capacity enhancement initiatives should help us grow further in coming years as well.

Your Company continued to focus on different products in Stainless Steel and successfully managed to market its recently added Long product portfolio globally. We also managed to add various new customers for our Special Product Division ("SPD") products.

During the year, the Company took various benchmark initiatives to improve the environment and was recognized for its efforts through prestigious 'Golden Peacock' Award for Environment Management.

The 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 continued to put a paramount focus on Safety and undertook various training initiatives for same. The Company was awarded "Behaviour-based Safety Award" for outstanding training initiatives in behavior-based safety. The Company continued to meet global benchmarks and was duly recognized for the same by being certified as 'ISO Certification 2015' company.

To reduce costs and improve productivity, we continued to innovate and digitize our operations. We are well on our way to be a paperless factory that would not only help us to save costs but would also assist in environment conservation.

Vizag Division:

Vizag division produces High Carbon Ferro Chrome ("HCFC") with annual capacity of 40,000 MT.

Vizag division uses Chrome Ore purchased from Odisha Mining Corporation Ltd/ Tata Steel Ltd. & others and transfers the output to Hisar Plant. The Unit could produce 28,649 MT of HCFC (including 216 MT of metal recovery quantity from new Metal Recovery Plant) during the year 2017-18 as compared to 7,680 MT during the last financial year 2016-17 as the plant was shut down for more than eight months during financial year 2016-17.

Vizag division could dispatch 29,097 MT of HCFC to Hisar plant during the year 2017-18 as compared to 7,736 MT during financial year 2016-17.

REVISION IN CREDIT RATING

Your Company received a rating upgrade from CARE, to 'A-' from 'BBB+' on July 25, 2018, reflecting Company's enhanced profitability and robust balance sheet, along with superior operational performance.

DIVIDEND AND TRANSFER TO RESERVES

In terms of the Dividend Distribution Policy, as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, equity shareholders of the Company may expect dividend if the Company is having surplus funds and after taking into consideration the relevant internal and external factors as mentioned in the said Policy. Accordingly, considering the cash position, fund requirements for growth of business of your Company and agreement with the Lenders, the Board of Directors has not recommended any dividend for the financial year

ended 31st March, 2018. Accordingly, no amount is also proposed to be transferred to the reserves of your Company. The Dividend Distribution Policy is available on Company's website at the following link:

www.jshlstainless.com/pdf/Dividend-Distribution-Policy20818.pdf

SHARE CAPITAL

As on 31st March, 2018, paid up share capital of the Company was ₹47,18,69,370 divided into 23,59,34,685 equity shares of ₹2/- each. There was no change in share capital of the Company during the Financial Year 2017-18.

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 grow 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.jshlstainless.com.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, there was no unclaimed amount required to be transferred to Investor Education and Protection Fund of Government of India.

EMPLOYEES STOCK OPTION SCHEME

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

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013, SEBI LODR and Ind-AS on Consolidated Financial Statements read with Ind-AS-28 on investments in Associates and Ind-AS-31 on 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, 2018, your Company has five 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 Private Limited. There is no joint venture of the Company.

The Financial Statements of Subsidiary Companies are kept open for inspection by the shareholders at the Registered Office and Corporate 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 the Company Secretary at O.P. Jindal Marg, Hisar – 125005 (Haryana) to obtain the copy of the financial statement 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.jshlstainless.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(1)(c) of SEBI LODR. The said Policy may be accessed on the Company's website at the link:

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

DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board of Directors appointed Mr. Abhyuday Jindal as Managing Director and Key Managerial Personnel of the Company w.e.f. 26th April, 2018. Prior to his appointment as the Managing Director, Mr. Abhyuday Jindal was Non Executive Vice Chairman of your Company.

Further, the Board has inducted Mr. Jagmohan Sood as an Additional Director on the Board of Directors w.e.f. 15th May, 2018 and appointed him as Whole Time Director and Key Managerial Personnel of the Company w.e.f. the said date. Mrs. Arti Luniya has been appointed as an Additional Director (Independent) w.e.f. 26th July, 2018.

The Board of Directors has also approved the appointment of Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.), whose 1st term was upto 1st November, 2017, as an Independent Director, to hold office for a term of 3 (three) years with effect from 2nd November, 2017.

The requisite resolutions for the appointment/ re-appointment of the aforesaid Directors will be placed before the Members for their approval at the ensuing Annual General Meeting ("AGM").

Mr. Ashok Kumar Gupta has ceased to be Manager and Whole Time Director of the Company w.e.f. 26th April, 2018 and 15th May, 2018 respectively. Mr. Ankur Agrawal has ceased to be Chief Financial Officer w.e.f. 27th April, 2018. The Board places on record its sincere appreciation for the valuable contributions made by them during their tenure.

Mrs. Deepika Jindal, who retires by rotation at the ensuing AGM under the provisions of the Companies Act, 2013 and being eligible, offers herself for reappointment.

Brief resumes of the abovementioned Directors being appointed / re-appointed, nature of their 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.

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.

Your Company has also devised a Policy on Familiarization Programme for Independent Directors which aims to familiarize the Independent Directors with your Company, nature of the industry in which your Company operates, business operations of your Company etc. The said Policy may be accessed on your Company's website at the link:

<http://jshlstainless.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 was carried out during the year. 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 the SEBI LODR, the Board of Directors on recommendations of the Nomination and Remuneration Committee has approved the (i) Policy for nomination and selection of Independent Directors and Non-Executive Non-Independent Directors and (ii) Remuneration Policy. The said policies may be accessed on your Company's website at the link:

www.jshlstainless.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 Companies Act, 2013 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 forms part of this Annual 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 forms part of the Annual 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 and Corporate Office of the Company during normal business hours on working days upto the date of this AGM 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 and M/s. N.C. Aggarwal & Co., Branch Auditors of Vishakhapatnam Division 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. The ratification of their appointment, pursuant to Section 139 of the Companies Act, 2013, is not required, in terms of Notification No. S.O. 1833(E) dated May 7, 2018, issued by the Ministry of Corporate Affairs and accordingly, the item has not been included in the Ordinary Business of the AGM Notice forming part of this Annual Report. The Auditors have confirmed that they are not disqualified from continuing as Auditors 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, your Company is required to get its cost accounting records audited by a Cost Auditor. The Company has appointed M/s. Ramanath Iyer & Co., Cost Accountants, for this purpose for FY 2018-19. The Company maintains cost records as specified under Section 148 of the Companies Act, 2013 and gets them audited. The Cost Audit Report for the FY 2017-18 given by the Cost Auditors 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 Secretaries to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as **Annexure – II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

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.

INTERNAL FINANCIAL CONTROLS

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

AUDIT COMMITTEE

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

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

* Mr. Jagmohan Sood has been inducted in the Audit Committee w.e.f. 15th May, 2018. Mr. Ashok Kumar Gupta ceased to be member of the Audit Committee w.e.f. 15th May, 2018.

All the recommendations made by the Audit Committee during the financial year 2017-18 were accepted by the Board.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee ("CSR 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 all the focus areas, your 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.

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://jshlstainless.com/pdf/JSHL%20CSR%20Policy.pdf>

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, Non Independent
2	Mr. Kanwaljit Singh Thind	Member	Non- Executive, Independent Director
3	Mr. Jagmohan Sood *	Member	Executive, Non Independent

* Mr. Jagmohan Sood has been inducted in the CSR Committee w.e.f. 15th May, 2018. Mr. Ashok Kumar Gupta ceased to be member of the CSR Committee w.e.f. 15th May, 2018.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

Your 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 women 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, 2018, no complaints were received pertaining to sexual harassment.

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

The annual listing fee was paid to both the stock exchanges. No shares of the Company were delisted during the financial year 2017-18. The Global Depository Shares ("GDS") are listed on Luxembourg Stock Exchange.

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, 2018. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report forming part of this Annual Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR, your 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 your 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 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees or investments by the Company under Section 186 of the Companies Act, 2013 are stated in Notes to Accounts, forming part of the Annual Report.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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 approval of the Audit Committee under omnibus approval route and / or under specific agenda before entering into such transactions.

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.

Your Directors draw attention of the members to Notes to the financial statements, which inter alia set out related party disclosures. The Policy on materiality of related party transactions and dealing with related party as approved by the Board may be accessed on your Company's website at the link:

<http://www.jshlstainless.com/pdf/Policy%20on%20dealing%20with%20Related%20Party%20Transactions%20JSHL.pdf>

In terms of Regulation 23 of the SEBI LODR, all transactions with related parties, which are material in nature, are subject to the approval of the Members of your Company. Requisite approval of the shareholders will be taken for this purpose at the ensuing AGM.

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, 2018.

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

During the quarter ended 30th June, 2018, your Company on standalone basis has achieved Net Revenue of ₹2,133.16 Crore with EBITDA of ₹251.63 Crore. Your Company has earned net profit of ₹79.39 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.

SECRETARIAL STANDARDS

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit and loss of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.
- (e) 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.
- (f) 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 and certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, form part of the Annual Report.

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Place: New Delhi
Date: July 26, 2018

Ratan Jindal
Chairman
DIN: 00054026

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

- Energy Audit through TERI.
- Arresting air leakages, modification in pipe lines to optimize air pressure requirement.
- Conventional lights changed with high efficient LED lights.
- Use of waste N₂ gas, generated from Oxygen plant, to reduce Compressed air requirement.
- Improvement in thermal insulation of WBF to reduce radiation leakages.
- Improved availability of HT power system in the plant through supply ring main.

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

- Use of LSHS fuel in DGs
- Solar energy at roof top and sheds.
- Use of electric lifters for material shifting to replace lifters use HSD fuel.
- Plan for purchase of energy efficient pumps and compressors in year 2018.

(c) The capital investment on energy conservation equipments

- Installed 400kw Solar at cost of ₹158.49 Lakhs
- High energy efficient LED lights- ₹71 Lakhs
- Energy Audits- ₹24 Lakhs
- Renovation of WBF and preheating furnace insulation- ₹46 Lakhs

(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:

- Development and supply of SA517 grade in different thickness to defence application first time by any Indian steel manufacturer
- Manufacturing of High nitrogen steel in plate, shaft and forged disc for the application of Mine Trawl. The prototype mine trawl was successfully tested by DRDO. First time any Indian steel company supplied material for mine trawl application.
- Development of 9Cr-1Mo grade for import substitution
- Successful manufacturing and supply of Super Duplex 32760 grade in plate form for the usage of submersible water pump in sea water.
- Development of machinable grade 303 & 430F and precipitation hardened grade 17-4PH for bright bar application
- Development of 19.9LNb grade for Electrode application

Development of customized & value added products:

- Development of 439DD for critical deep drawing application
- Development of 409L for flange application in thicker section
- Development of modified 409L grade for tube application
- Manufacturing of high thickness plate (40mm to 80mm) of high nitrogen steel with minimum 700MPa Yield Strength through process optimization
- Development of 1.4037 grade for professional knife application
- Development of modified 2205 grade for heat exchanger

Benefits derived:

- Yield improvement in 1.4307/304L by minimizing surface defect
- Yield improvement in 317L by minimizing surface defect thereby reduced lead time
- Minimization of hot rolling defect in 204Cu thereby enhanced window of cold deformation
- Quality improvement in High Nitrogen Steel ingots through optimizing casting practice
- Developed methodology for the welding of ultra high strength steel armour steel
- Successful manufacturing and supply of 32101 grade for tube application
- Improvement in mechanical property of 301 grade in super full hard condition through modification of process parameters

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

- In Cold Rolling Division of Hisar plant, additional capacity of cold rolled annealed coils by commissioning of 3 New Horizontal Bright Annealing lines have been built up, all these lines have been located in CRD#2 division having combined production capacity of 12,500 MT per month.
- Bright annealing is the process of heating stainless steel above re-crystallization temperature and then rapidly cooling in absence of Oxygen so that a refined and uniform grain structure is formed while its surface qualities are retained. Due to absence of oxygen, surface is protected from oxide layer formation and it does not lose its color and remains bright.

The Company is catering material to utensils and P&T segments from these lines. The Company also produces special grades like Duplex, 310S & 420 grades from HBA lines.

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

	2017-18	2016-17
a) Capital	Nil	0.05
b) Revenue	7.92	4.21
Total	7.92	4.26
c) Total R&D expenditure as a percentage of turnover	0.08%	0.06%

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

Foreign Exchange Earnings	1,342.75
Foreign Exchange Outgo	2,131.13

Annexure – II to Directors Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

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

To,
The Members,
Jindal Stainless (Hisar) Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the 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 specified in Annexure I 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, 2017 to March 31, 2018 (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, papers, minute books, forms and returns filed and other records 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;
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. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
5. 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;
6. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
 - a. Payment of Wages Act, 1936;
 - b. The Payment of Undisbursed Wages (Mines) Rules, 1989;
 - c. 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;

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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 Period under review 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 decision is carried through while dissenting members' views were not required to be captured and recorded as part of the minutes as there were no such instance.

We further report that to ensure compliance with the labour laws, industrial laws and environmental laws and other 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 compliance responsibilities in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place: Mumbai

Date: July 18, 2018

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

**Vinita Nair
Partner
Membership No: A31669
CP No.: 11902**

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

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

A brief outline of the Company's CSR Policy is given in the Directors' Report.

Web-link: <http://jshl.com/pdf/JSHL%20CSR%20Policy.pdf>

2. The composition of the CSR Committee:

Mrs. Deepika Jindal - Chairperson of the Committee

Mr. Jagmohan Sood * - Member

Mr. Kanwaljit Singh Thind - Member

* Mr. Jagmohan Sood was inducted as member of CSR Committee w.e.f. 15th May, 2018. Mr. Ashok Kumar Gupta ceased to be Member of Committee w.e.f. 15th May, 2018

3. Average net profit * of the company for last three financial years: ₹12,245.94 Lakhs
 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹244.92 Lakhs
 5. Details of CSR spent during the financial year.
 a. Total amount to be spent for the financial year: ₹244.92 Lakhs
 b. Total amount spent in the financial year: ₹250.62 Lakhs
 b. Amount unspent, if any: Nil
 c. 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	Computer education, stitching & tailoring center, Stainless Skill training institute, Special School education, Smart Class	Promoting Education and Enhancing Vocational Skills	Local area at Hisar in the State of Haryana and Jaipur in the State of Odisha	61,52,296	66,80,998	1,08,43,748	Both directly and through Implementing Agency
2	Save the Child, Livelihood project, Improving maternal & child health care	Promoting Gender Equality and empowering women	Local area at Hisar in the State of Haryana and Jaipur in the State of Odisha	36,23,730	36,58,301	42,53,026	Both directly and through Implementing Agency
3	Organic Farming and Solar pump	Ensuring environment sustainability and ecological balance and Community Development	Local area in and around Hisar in the State of Haryana	14,77,600	7,29,084	10,12,676	Both directly and through Implementing Agency
4	HIV/AIDS Awareness, Community Health, eye camps, Vector Borne diseases	Promoting preventive Health Care	Local area at Hisar in the State of Haryana and Jaipur in the State of Odisha	21,69,348	24,51,001	25,88,277	Both directly and through Implementing Agency

1	2	3	4	5	6	7	8
S. No.	CSR project or activity indentified	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	Safe Drinking Water, promotion of rural art & culture, Agriculture Development, Farmer market linkage programme	Rural Development Programme	Local area at Hisar in the State of Haryana and Jajpur in the State of Odisha	1,01,59,140	1,06,24,398	1,06,24,398	Both directly and through Implementing Agency
6	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	--	--	5,16,535	Both directly and through Implementing Agency
7	Donation to various Gaushala	Animal welfare	Local area in and around Hisar in the State of Haryana	--	--	8,06,100	Both directly and through Implementing Agency
8	Administration expenses	Admin. Overheads	-	9,17,886	9,17,886	10,91,408	Direct
TOTAL				2,45,00,000	2,50,61,668	3,17,36,168	

6. In case the Company has failed to spend the two per cent of the average net profit of the last financial years or any part thereof, the reasons for not spending the amount in its Board Report: Not Applicable.
7. A responsibility statement of the CSR Committee of the Company that the implementation and monitoring of CSR Policy, is in compliance with the CSR Objectives and Policy of the Company: It is hereby stated that the implementation and monitoring of the CSR Policy, is in compliance with CSR Objectives and 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, 2018

[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	30 th 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 Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110066	U27109DL2004PLC128146	Subsidiary	81.91	2(87)(ii)
2	JSL Lifestyle Limited 48th K.M. Stone, Delhi Rothak Road, Village Rohad Tehsil Bahadurgarh Dist. Jhajjar, PIN: 124507	U74920HR2003PLC035976	Subsidiary	77.74	2(87)(ii)
3	Green Delhi BQS Limited Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110066	U45400DL2007PLC164938	Subsidiary	68.88	2(87)(ii)
4	JSL Media Limited 28, Najafgarh Road, New Delhi – 110015	U70102DL2007PLC170019	Subsidiary	99.94	2(87)(ii)
5	JSL Logistics Limited 28, Najafgarh Road, New Delhi – 110015	U63030DL2008PLC180599	Subsidiary	100.00	2(87)(ii)
6	Jindal Stainless Corporate Management Services Private Limited O.P. Jindal Marg, Hisar – 125005	U74140HR2013PTC049340	Associate	50	2(6)
7	Jindal Stainless Limited O.P. Jindal Marg, Hisar – 125005	L26922HR1980PLC010901	Associate	35.12	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 – 1 st April, 2017 (Face value of ₹2/- each)				No. of Shares held at the end of the year – 31 st March, 2018 (Face value of ₹2/- each)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a. Individual / HUF	646,087	-	646,087	0.27	668,767	-	668,767	0.29	0.02
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	56,890,650	-	56,890,650	24.11	56,891,250	-	56,891,250	24.11	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	57,536,737	-	57,536,737	24.39	57,560,017	-	57,560,017	24.40	0.01
(2) Foreign									
a. NRIs – Individuals	7,523,053	-	7,523,053	3.19	7,500,873	-	7,500,873	3.18	0.01
b. Other – Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp.	54,260,440	-	54,260,440	23.00	56,760,440	-	56,760,440	24.06	1.06
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	61,783,493	-	61,783,493	26.19	64,261,313	-	64,261,313	27.24	1.05
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	119,320,230	-	119,320,230	50.57	121,821,330	-	121,821,330	51.64	1.07
B. Public Shareholding									
(1) Institutions									
a. Mutual Funds	9,893,294	14,300	9,907,594	4.20	7,318,065	14,300	7,332,365	3.11	1.09
b. Banks / FI	229,777	22,560	252,337	0.11	122,536	22,560	145,096	0.06	0.05
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	2,224,934	-	2,224,934	0.94	182,745	-	182,745	0.08	0.86
g. FIs/ Foreign Portfolio Investors	45,308,639	13,740	45,322,379	19.21	45,139,993	13,520	45,153,513	19.14	0.07
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Any Others	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	57,666,644	50,600	57,707,244	24.46	52,763,339	50,380	52,813,719	22.39	2.07
(2) Non-Institutions									
a. Bodies Corp.									
(i) Indian	13,612,320	61,091	13,673,411	5.80	13,727,818	61,091	13,788,909	5.84	0.04
(ii) Overseas	-	1,690	1,690	0.00	-	1,690	1,690	0.00	-
b. Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	12,302,120	2,760,621	15,062,741	6.38	16,894,337	2,640,875	19,535,212	8.28	1.9
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1,185,900	-	1,185,900	0.50	2,336,251	-	2,336,251	0.99	0.49
(iii) Others	10,781,295	597,840	11,379,135	4.82	9,948,635	584,605	10,533,240	4.46	0.36
Sub-total (B) (2)	37,881,635	3,421,242	41,302,877	17.51	42,907,041	3,288,261	46,195,302	19.57	2.06
Total shareholding of Public (B) = (B)(1)+(B)(2)	95,538,279	3,471,842	99,010,121	41.97	95,670,380	3,338,641	99,009,021	41.96	0.01
C. Shares held by Custodian for GDRs & ADRs									
Promoter & Promoter Group	16,734,984	-	16,734,984	7.09	14,234,984	-	14,234,984	6.03	1.06
Public	869,350	-	869,350	0.37	869,350	-	869,350	0.37	-
Grand Total (A)+(B)+(C)	232,462,843	3,471,842	235,934,685	100	232,596,044	3,338,641	235,934,685	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year – 1 st April, 2017 (Face value of ₹2/- each)			Shareholding at the end of the year – 31 st March, 2018 (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	0.34	-	811,350	0.34	0.34	-
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	0.88	-	2,074,930	0.88	0.88	-
5	Deepika Jindal	69,265	0.03	-	69,265	0.03	-	-
6	Ever Plus Securities & Finance Limited	1,157,835	0.49	-	1,157,835	0.49	0.49	-
7	Gagan Trading Company Limited	2,454,295	1.04	1.04	2,454,295	1.04	1.04	-
8	Goswamis Credits & Investments Ltd	877,795	0.37	-	877,795	0.37	0.37	-
9	Hexa Securities & Finance Co Ltd	4,931,175	2.09	-	4,931,175	2.09	2.09	-
10	Jindal Equipment Leasing And Consultancy Services Limited	5,735,555	2.43	-	5,735,555	2.43	2.43	-
11	JSW Holdings Limited	460,720	0.2	0.2	460,720	0.2	-	-
12	Nalwa Sons Investments Limited	347,945	0.15	0.15	347,945	0.15	-	-
13	Kamal Kishore Bhartia	1,550	0.00	-	2,050	0.00	-	0.00
14	Manjula Finances Ltd	1,012,080	0.43	-	1,012,080	0.43	0.43	-
15	Mansarover Investments Limited	3,797,210	1.61	-	3,797,210	1.61	1.61	-
16	Meredith Traders Pvt Ltd	422,210	0.18	0.18	422,210	0.18	-	-
17	Nalwa Engineering Co Ltd	747,290	0.32	-	747,290	0.32	0.32	-
18	Nalwa Investment Limited	1,707,110	0.72	-	1,707,110	0.72	0.72	-
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	0.02	-	58,290	0.02	-	-
24	Ratan Jindal	7,424,148	3.15	3.15	7,424,148	3.15	3.15	-
25	R K Jindal & Sons HUF	13,940	0.01	-	13,940	0.01	-	-
26	Renuka Financial Services Ltd	886,620	0.38	-	886,620	0.38	0.38	-
27	Rohit Tower Building Ltd	31,200	0.01	0.01	31,200	0.01	-	-
28	Sajjan Jindal	47,748	0.02	-	-	-	-	0.02
29	S K Jindal And Sons HUF	33,330	0.01	-	33,330	0.01	-	-
30	Sangita Jindal	46,910	0.02	-	94,658	0.04	-	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	0.61	-	1,442,895	0.61	0.61	-
37	Sun Investments Private Limited	9,296,780	3.94	3.94	9,296,780	3.94	3.94	-
38	Tanvi Shete	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	0.00	-	11,605	0.00	-	-

42	Wrindavan Services Private Limited	4,946,705	2.10	2.10	4,946,705	2.10	2.10	-
43	JSL Overseas Holdings Limited*	27,700,000	11.74	-	30,200,000 #	12.80	12.59	1.06
44	JSL Overseas Limited	26,560,440	11.26	-	26,560,440	11.26	11.26	-
45	Jindal Strips Limited	5,314,090	2.25	-	5,314,090	2.25	2.25	-
46	Siddeshwari Tradex Private Limited	2,755,890	1.17	-	2,755,890	1.17	1.17	-
47	Jindal Rex Exploration Private Limited	929,730	0.39	0.39	929,730	0.39	0.39	-
48	JSL Limited	2,374,620	1.01	-	2,374,620	1.01	1.01	-
49	Jindal Infrastructure and Utilities Limited	2,374,620	1.01	-	2,374,620	1.01	1.01	-
50	Sajjan Jindal (as a trustee for Sajjan Jindal Family Trust)	-	-	-	100	0.00	-	0.00
51	Sajjan Jindal (as a Trustee for Sajjan Jindal Lineage Trust)	-	-	-	100	0.00	-	0.00
52	Sajjan Jindal (as a Trustee for Sangita Jindal Family Trust)	-	-	-	100	0.00	-	0.00
53	Sajjan Jindal (as a trustee for Tarini Jindal Family Trust)	-	-	-	100	0.00	-	0.00
54	Sajjan Jindal (as a trustee for Tanvi Jindal Family Trust)	-	-	-	100	0.00	-	0.00
55	Sajjan Jindal (as a Trustee for Parth Jindal Family Trust)	-	-	-	100	0.00	-	0.00
	Total	119,320,230	50.58	11.15	121,821,330	51.63	50.57	1.06

* JSL Overseas Holdings Limited also holds 7,117,492 GDS representing 14,234,984 underlying equity shares of ₹2/- each.

On dated 25th May, 2017, 12,50,000 GDS has been converted into 25,00,000 Equity shares of the Company.

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

Sr. No.	Name of Shareholder	As on 1.4.2017		As on 31.3.2018		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	0.34	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	0.88	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	0.49	1,157,835	0.49	-	-	-	1,157,835
7	Gagan Trading Company Limited	2,454,295	1.04	2,454,295	1.04	-	-	-	2,454,295
8	Goswamis Credits & Investments Limited	877,795	0.37	877,795	0.37	-	-	-	877,795
9	Hexa Securities & Finance Co Ltd	4,931,175	2.09	4,931,175	2.09	-	-	-	4,931,175
10	Jindal Equipment Leasing And Consultancy Services Limited	5,735,555	2.43	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	2,050	0.00	01.09.2017	-	500	2050
14	Manjula Finances Ltd	1,012,080	0.43	1,012,080	0.43	-	-	-	1,012,080
15	Mansarover Investments Limited	3,797,210	1.61	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	0.72	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	0.02	58,290	0.02	-	-	-	58,290
24	Ratan Jindal	7,424,148	3.15	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	Sajjan Jindal	47,748	0.02	-	-	2.12.2017*	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	94,658	0.04	2.12.2017*	-	47,748	94,658
31	Sarika Jhunjhunwala	76,725	0.03	76,725	0.03	-	-	-	76,725
32	Saroj Bhartia	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	0.61	1,442,895	0.61	-	-	-	1,442,895
37	Sun Investments Limited	9,296,780	3.94	9,296,780	3.94	-	-	-	9,296,780
38	Tanvi Shete	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	0.00	11,605	0.00	-	-	-	11,605
42	Vrindavan Services Private Limited	4,946,705	2.10	4,946,705	2.10	-	-	-	4,946,705
43	JSL Overseas Holdings Limited*	27,700,000	11.74	30,200,000#	12.80	25.05.2017	-	25,00,000	30,200,000 #
44	JSL Overseas Limited	26,560,440	11.26	26,560,440	11.26	-	-	-	26,560,440
45	Jindal Strips Limited	5,314,090	2.25	5,314,090	2.25	-	-	-	5,314,090
46	Siddeshwari Tradex Private Limited	2,755,890	1.17	2,755,890	1.17	-	-	-	2,755,890
47	Jindal Rex Exploration Private Limited	929,730	0.39	929,730	0.39	-	-	-	929,730
48	JSL Limited	2,374,620	1.01	2,374,620	1.01	-	-	-	2,374,620
49	Jindal Infrastructure and Utilities Limited	2,374,620	1.01	2,374,620	1.01	-	-	-	2,374,620
50	Sajjan Jindal (as a trustee for Sajjan Jindal Family Trust)	-	-	100	0.00	28.09.2017	-	100	100
51	Sajjan Jindal (as a Trustee for Sajjan Jindal Lineage Trust)	-	-	100	0.00	28.09.2017	-	100	100
52	Sajjan Jindal (as a Trustee for Sangita vJindal Family Trust)	-	-	100	0.00	28.09.2017	-	100	100
53	Sajjan Jindal (as a trustee for Tarini Jindal Family Trust)	-	-	100	0.00	28.09.2017	-	100	100
54	Sajjan Jindal (as a trustee for Tanvi Jindal Family Trust)	-	-	100	0.00	28.09.2017	-	100	100
55	Sajjan Jindal (as a Trustee for Parth Jindal Family Trust)	-	-	100	0.00	28.09.2017	-	100	100
	Total	119,320,230	50.58	121,821,330	51.63				

* JSL Overseas Holdings Limited also holds 7,117,492 GDS representing 14,234,984 underlying equity shares of ₹2/- each.

** On dated 2nd December, 2017, 47,748 shares held by Mr. Sajjan Jindal has been transferred to Mrs. Sangita Jindal.

On dated 25th May, 2017, 12,50,000 GDS has been converted into 25,00,000 Equity shares of the Company

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

Sr. No.	Name of Shareholder	As on 1.4.2017		As on 31.3.2018		Date wise increase / decrease in shareholding during the year			
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date	No of shares disposed off	No of shares acquired	No. of shares at the end of the year
1	Citigroup Global Markets Mauritius Private Limited	6,619,232	2.81	0	0	07.04.2017	3,825,000	-	0
						21.04.2017	1,800,000	-	
						28.04.2017	700,000	-	
						05.05.2017	41,358	-	
						12.05.2017	252,874	-	
2	Hypnos Fund Limited	10,301,711	4.37	10,301,711	4.37	-	-	-	10,301,711
3	Reliance Capital Trustee Co. Ltd. A/C Reliance Diversified Power Sector Fund	7,417,840	3.14	5,000,000	2.12	07.04.2017	200,000	-	5,000,000
						11.04.2017	43,150	-	
						21.04.2017	550	-	
						14.07.2017	100,000	-	
						28.07.2017	76,911	-	
						04.08.2017	523,089	-	
						15.09.2017	500,000	-	
						22.09.2017	25,000	-	
						27.10.2017	704,000	-	
						03.11.2017	182,000	-	
						29.12.2017	263,140	-	
						02.03.2018	-	200,000	
4	Vinod Mohan Nair	9,097,524	3.86	7,735,011	3.28	23.02.2018	693,860	-	7,735,011
						02.03.2018	296,065	-	
						09.03.2018	272,588	-	
						16.03.2018	100,000	-	
5	ELM Park Fund Limited	13,107,160	5.56	19,432,160	8.24	07.04.2017	-	2,000,000	19,432,160
						14.04.2017	-	182,5000	
						28.04.2017	-	2,500,000	
6	India Max Investment Fund Limited	3,882,980	1.65	3,882,980	1.65	-	-	-	3,882,980
7	SAL Real Estates Pvt. Ltd.	1,471,059	0.62	1,831,000	0.78	12.05.2017	-	335,000	1,831,000
						26.05.2017	-	350,000	
						16.06.2017	-	65,000	
						30.06.2017	-	850	
						04.08.2017	100	-	
						18.08.2017	-	75,000	
						25.08.2017	23,809	-	
						08.09.2017	478,095	-	
						15.09.2017	41,919	-	
						30.09.2017	79,986	-	
						22.12.2017	-	200,000	
						16.02.2018	100,000	-	
02.03.2018	30,000	-							
09.03.2018	-	88000	-						
8	Albula Investment Fund Ltd.	3,609,070	1.53	3,609,070	1.53	-	-	-	3,609,070
9	Reliance Capital Trustee Co Ltd -Reliance Mid & Small Cap Fund	2,460,089	1.04	2,302,700	0.98	05.01.2018	-	1,000,000	2,302,700
						12.01.2018	102,791	-	
						26.01.2018	1,031,643	-	
						02.02.2018	22,955	-	
10	Elara India Opportunities Fund Limited	2,765,000	1.17	2,865,000	1.21	07.07.2017	10,000	-	2,865,000
						02.03.2018	-	110,000	
11	Life Insurance Corporation of India	2,042,189	0.87	0	0	01.12.2017	118,736	-	0
						08.12.2017	303,438	-	
						15.12.2017	110,633	-	
						22.12.2017	740,881	-	
						31.12.2017	302,093	-	
						05.01.2018	389,336	-	
						19.01.2018	54,006	-	
26.01.2018	23,066	-							
12	Aggarwal Finlease Pvt Ltd	1,429,122	0.61	1,429,122	0.61	-	-	-	1,429,122

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

Sr. No	Name of Shareholder	As on 1.4.2017		As on 31.3.2018		Date wise increase / decrease in shareholding during the year			
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date	No of shares disposed off	No of shares acquired	No. of shares at the end of the year
1	Mr. Ratan Jindal	7,424,148	3.15	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**	37,310	0.02	37,310	0.02	-	-	-	37,310
5	Mr. Kanwaljit Singh Thind	515	0.00	515	0.00	-	-	-	515
6	Mr. Girish Sharma	-	-	-	-	-	-	-	-
7	Mr. Arunendra Kumar	-	-	1,900	0.00	-	-	-	1,900
8	Mr. Nirmal Chandra Mathur	955#	0.00	955#	0.00	-	-	-	955#
9	Mr. Bhartendu Harit (Company Secretary)	-	-	-	-	-	-	-	-
10	Mr. Ankur Agrawal(CFO)***	-	-	-	-	-	-	-	-

* Mr. Abhyuday Jindal has been appointed as Managing Director w.e.f. 26th April, 2018. He was earlier on the Board of Directors in the capacity of Non-Executive Vice Chairman of the Company.

** Mr. Ashok Kumar Gupta ceased to be Whole Time Director w.e.f. 15th May, 2018.

*** Mr. Ankur Agrawal ceased to be Chief Financial Officer (CFO) w.e.f. 27th April, 2018.

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)

V. INDEBTEDNESS

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

(Amount ₹ in Crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year – 1st April, 2017				
(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
Total (i+ii+iii)	3,390.28	-	-	3,390.28
Change in Indebtedness during the financial year				
· Addition	-	-	-	-
· Reduction *	591.04	-	-	591.04
Net Change	(591.04)	-	-	(591.04)
Indebtedness at the end of the financial year – 31st March, 2018				
(i) Principal Amount	2,798.84	-	-	2,798.84
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	0.39	-	-	0.39
Total (i+ii+iii)	2,799.23	-	-	2,799.23

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
1.	Gross Salary	Mr. Ashok Kumar Gupta	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	272.50	272.50
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	2.53	2.53
	(c) Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify	-	-
5.	Others (NPS and reimbursements not included under Section 17(2) of the Income Tax Act, 1961)	3.69	3.69
	Total (A)	278.72	278.72
	Ceiling as per the Act: 10% of the net profits as per Section 198 of the Companies Act, 2013.		6,381

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	
• Fee for attending board /committee meetings	3.4	3.0	3.0	2.4	11.8
• Commission	-	-	-	-	-
• Others	-	-	-	-	-
Total (B)(1)	3.4	3.0	3.0	2.4	11.8

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	2.5	2.1	2.5
• Commission	1595.00	957.00	-
• Others	-	-	-
Total (B)(2)	1597.5	959.1	2.5
Total Managerial Remuneration (excluding sitting fee) (A+B) *			2,830.72
Overall Ceiling as per the Act: 11% of the net profits as per Section 198 of the Companies Act, 2013			7,019.10

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

Mr. Abhyuday Jindal has been appointed as Managing Director w.e.f. 26th April, 2018. Earlier, he was on the Board of Directors in the capacity of Non-Executive Vice Chairman of the Company.

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	Mr. Bhartendu Harit	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	68.78	25.35	94.13
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	1.81	2.07	3.88
	(c) Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others (Contribution to PF, NPS and reimbursement not included under Section 17(2) of the Income Tax Act, 1961)	5.06	2.25	7.31
	Total	75.65	29.67	105.32

VI. 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)
A. COMPANY					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
B. DIRECTORS					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

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	NIL (All contract or arrangement or transactions with related parties are at arm's length basis)
(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 two directors of the Company are also directors. 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 materials and services, Cash Flow Support as per asset management plan of JSL, etc.
(c) Duration of the contracts/ arrangements/ transactions	April, 2017 to March, 2018
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Sale, purchase or supply of materials and services, Cash Flow Support etc. amounting to approx. ₹2,600 Crore.
(e) Date(s) of approval by the Board, if any	The Board and the Shareholders had earlier approved the transactions with JSL for ₹2,000 Crore at their respective meeting held on 7 th August, 2017 and 26 th September, 2017 respectively. However, during the financial year 2017-18, the cumulative value of transactions with JSL were ₹2,600 Crore approx. Therefore, the Audit Committee and Board of Directors at their respective meetings held on April 26, 2018 ratified and recommended to the Members ratification of the transactions exceeding the amount of ₹2,000 Crore.
(f) Amount paid as advances, if any	

REPORT ON CORPORATE GOVERNANCE

In accordance with Regulation 34(3) read with Schedule V to 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 has an optimum combination of Executive and Non-Executive Directors, in conformity with Regulation 17 of the SEBI LODR.

As at 31st March, 2018, the Board of the Company consisted of eight directors, including four independent directors. Details with respect to size and composition of present Board of Directors is given hereunder:

Category	Name of Directors
Promoter Directors	Mr. Ratan Jindal, Chairman Mrs. Deepika Jindal, Director Mr. Abhyuday Jindal, Managing Director ¹
Executive Director	Mr. Jagmohan Sood ²
Independent Directors	Mr. Girish Sharma Mr. Kanwaljit Singh Thind Mr. Arunendra Kumar Mr. Nirmal Chandra Mathur Mrs. Arti Luniya ³

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.

- 1 Mr. Abhyuday Jindal has been appointed as the Managing Director w.e.f. 26th April, 2018. He was earlier on the Board of Directors in the capacity of Non Executive Vice Chairman of the Company.*
- 2 Mr. Ashok Kumar Gupta has ceased to be the Whole Time Director w.e.f. 15th May, 2018. Mr. Jagmohan Sood has been appointed as the Whole Time Director w.e.f. 15th May, 2018.*
- 3 Mrs. Arti Luniya has been appointed as an Additional Director (Independent) w.e.f. 26th July, 2018.*

(ii) Independent Directors

The Board of Directors of the Company, on the recommendations of the Nomination and Remuneration Committee of Directors has appointed Mrs. Arti Luniya as an Independent Director on the Board of Directors with effect from 26th July, 2018. In terms of the provisions of Section 161(1) of the Companies Act, 2013, she shall hold office up to the date of ensuing Annual General Meeting ("AGM"). The Company has, in accordance with the provisions of Section 160 of the Companies Act, 2013 ('the Act') received notice in writing from a member proposing her candidature for the office of Director. Accordingly, the Board of Directors is seeking approval of the Shareholders in the ensuing Annual General Meeting for the appointment of Mrs. Arti Luniya for the Office of Independent Director to hold office for a term of three consecutive years w.e.f. 26th July, 2018 till 25th July, 2021.

The first term of Mr. Kanwaljit Singh Thind, Independent Director was upto 1st November, 2017. The Board of Directors keeping in view his performance in the first term and recommendations of the Nomination and Remuneration Committee, appointed him as an Additional Director (Independent) of the Company with effect from 2nd November, 2017. In terms of the provisions of Section 161(1) of the Companies Act, 2013, he shall hold office up to the date of ensuing Annual General Meeting. Further, the Board of Directors, at its meeting held on 26th July, 2018, keeping in view the recommendations of Nomination and Remuneration Committee and also the experience and contributions of Mr. Thind, approved his reappointment for a further term of 3 years with effect from 2nd November, 2017. Accordingly, the Board of Directors is seeking approval of the Shareholders in the ensuing Annual General Meeting for his appointment as an Independent Director to hold office for a further term of 3 consecutive years with effect from 2nd November, 2017 till 1st November, 2020.

The Company has received declarations as stipulated under Section 149(7) of the Companies Act, 2013 and Regulation 16 of SEBI LODR from Independent Directors confirming that they are not disqualified from being appointed/continuing as 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://jshlstainless.com/appointmentofindependentdirectors.html>

(iii) Board Meetings

During the financial year 2017-18, four Board meetings were held on 15th May, 2017, 7th August, 2017, 9th November, 2017 and 12th February, 2018. The gap between any two consecutive meetings was within the limit prescribed under the Act. The necessary quorum was present during all the meetings.

(iv) Attendance of Directors, 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 ⁶	No. of Memberships (M) / Chairmanship (C) in other Board Committee(s) ⁷	No. of Shares and Convertible Instruments held by Non-Executive Directors
Mr. Ratan Jindal	4	No	8	1 (M)	74,24,148 shares
Mrs. Deepika Jindal	4	No	4	Nil	69,265 shares
Mr. Abhyuday Jindal ¹	3	Yes	1	1 (M)	22,180 shares
Mr. Jagmohan Sood ²	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Kanwaljit Singh Thind	4	Yes	1	1 (M)	515 shares
Mr. Girish Sharma	4	No	4	6 (M)	Nil
Mr. Arunendra Kumar	4	No	2	1 (C)	1,900 shares
Mr. Nirmal Chandra Mathur ³	3	No	4	1 (M)	955 shares
Mrs. Arti Luniya ⁴	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Ashok Kumar Gupta ⁵	4	No	1	Nil	N.A.

1 Mr. Abhyuday Jindal has been appointed as the Managing Director w.e.f. 26th April, 2018. He was earlier on the Board of Directors in the capacity of Non Executive Vice Chairman of the Company.

2 Mr. Jagmohan Sood has been inducted as an Additional Director and appointed as Whole Time Director of the Company w.e.f. 15th May, 2018.

- 3 *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)*
- 4 *Mrs. Arti Luniya has been appointed as Director of the Company w.e.f. 26th July, 2018.*
- 5 *Mr. Ashok Kumar Gupta ceased to be Director w.e.f. 15th May, 2018.*
- 6 *Directorships do not include directorships in foreign companies, private limited companies and companies under Section 8 of the Companies Act, 2013*
- 7 *Only covers Memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee.*

N.A. Not Applicable

None of the Directors on the Board is a Director in more than 20 companies (including not more than 10 public limited companies) as specified in Section 165 of the Companies Act, 2013. None of the Independent Directors serve as an Independent Director in more than 7 listed companies and Member of more than 10 committees and Chairman of more than 5 committees (as specified in Regulations 25 and 26 of the 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

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

B. Distribution of Board Agenda

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

C. Recording minutes of proceedings at Board / Committee 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 15 days of the meetings for their comments / inputs. Thereafter, the minutes of the proceedings of meeting are entered in the minutes book within 30 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. Action Taken Report on the decisions taken during a Board meeting is placed at the next Board Meeting.

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 signed by the Heads of the Departments are placed in every quarterly 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.

Periodic 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 apprise 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.jshlstainless.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) to the Companies Act, 2013 and Regulation 25 of the SEBI LODR, a meeting of the Independent Directors of the Company was held on 26th July, 2018, 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 2017-18, 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 relevant rules thereof and Regulation 19(4) read with Part D of Schedule II 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, 2018. 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 Board is updated on the discussions held at the Committee meetings and the recommendations made by various Committees. Further, 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 Board 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	4	4	2	9
Members' Attendance					
Mr. Ratan Jindal	N.A.	N.A.	N.A.	N.A.	9
Mrs. Deepika Jindal	N.A.	N.A.	N.A.	2	N.A.
Mr. Abhyuday Jindal	N.A.	1	3	N.A.	N.A.
Mr. Ashok Kumar Gupta ¹	4	N.A.	4	0	9
Mr. Kanwaljit Singh Thind	4	4	N.A.	2	0
Mr. Girish Sharma	4	N.A.	N.A.	N.A.	N.A.
Mr. Arunendra Kumar	4	N.A.	4	N.A.	N.A.
Mr. Nirmal Chandra Mathur	N.A.	4	N.A.	N.A.	0
Mr. Jagmohan Sood ²	*	N.A.	*	*	*

- 1 Mr. Ashok Kumar Gupta ceased to be Director w.e.f. 15th May, 2018. Consequently, he ceased to be member of the Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Share Transfer Committee w.e.f. 15th May, 2018.
- 2 Mr. Jagmohan Sood has been inducted as an Additional Director and appointed as Whole Time Director of the Company w.e.f. 15th May, 2018.
- 3 Mr. Ratan Jindal has been inducted as Member of Nomination and Remuneration Committee w.e.f. 26th April, 2018. Mr. Abhyuday Jindal has been inducted as Chairman of the Share Transfer Committee and Sub Committee w.e.f. 15th May, 2018 and he ceased to be the Member of Nomination and Remuneration Committee w.e.f. 26th April, 2018. Mr. Jagmohan Sood has been inducted as a Member of Audit Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Share Transfer Committee and Sub Committee w.e.f. 15th May, 2018.

(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 Rule 6 of the 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. Jagmohan Sood ¹	Whole Time Director, Non-Independent	Member
Mr. Kanwaljit Singh Thind	Independent Director	Member
Mr. Arunendra Kumar	Independent Director	Member

- 1 Mr. Jagmohan Sood has been inducted as Member of the Audit Committee w.e.f. 15th May, 2018. Mr. Ashok Kumar Gupta ceased to be member of the Audit Committee w.e.f. 15th May, 2018.

Meetings

The Audit Committee met four times during the financial year 2017-18 on 15th May, 2017, 7th August, 2017, 9th November, 2017 and 12th February, 2018. 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 Statutory Auditors, Internal Auditor, the Cost Auditor, the Scretarial 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. Ratan Jindal ¹	Non-Independent	Member
Mr. Nirmal Chandra Mathur	Independent Director	Member

1. Mr. Ratan Jindal has been inducted as Member of Nomination and Remuneration Committee w.e.f. 26th April, 2018. Mr. Abhyuday Jindal ceased to be member of the Nomination and Remuneration Committee w.e.f. 26th April, 2018.

Meetings

During the financial year ended 31st March, 2018, four meeting of the Nomination and Remuneration Committee were held on 15th May, 2017, 7th August, 2017, 9th November, 2017 and 12th February, 2018. Requisite quorum was present during all the meetings.

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, remuneration and other terms and conditions 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 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 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. Jagmohan Sood ¹	Whole Time Director, Non-Independent	Member

- 1 Mr. Jagmohan Sood has been inducted as Member of Stakeholders Relationship Committee w.e.f. 15th May, 2018. Mr. Ashok Kumar Gupta ceased to be a Director and consequently member of the Committee w.e.f. 15th May, 2018.

Meetings

Four meetings were held on 15th May, 2017, 7th August, 2017, 9th November, 2017 and 12th February, 2018. 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, Company Secretary acted as the Compliance Officer, who monitored the share transfer process and liaised with the Authorities such as SEBI, Stock Exchanges and 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 the Shareholders within the prescribed time.

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

During the year 2017-18, four complaints were received. All the complaints stood resolved as on 31st March, 2018, except one which was resolved on 3rd April, 2018.

(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
Mrs. Deepika Jindal	Non-Independent	Chairperson
Mr. Jagmohan Sood ¹	Whole Time Director, Non-Independent	Member
Mr. Kanwaljit Singh Thind	Independent Director	Member

1. Mr. Jagmohan Sood has been inducted as Member of Corporate Social Responsibility Committee w.e.f. 15th May, 2018. Mr. Ashok Kumar Gupta ceased to be Member of the Committee w.e.f. 15th May, 2018.

Meetings

Two meetings of the Committee were held on 7th August, 2017 and 12th February, 2018 during the year 2017-18. Requisite quorum was present during the meetings.

(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. Abhyuday Jindal ¹	Managing Director, Non-Independent	Chairman
Mr. Jagmohan Sood ²	Whole Time Director, Non-Independent	Member
Mr. Kanwaljit Singh Thind	Independent Director	Member
Mr. Nirmal Chandra Mathur	Independent Director	Member

1. Mr. Abhyuday Jindal and Mr. Jagmohan Sood have been inducted as Chairman and Member of the Sub Committee respectively w.e.f. 15th May, 2018. Mr. Ratan Jindal and Mr. Ashok Kumar Gupta ceased to be Chairman and Member of the Committee w.e.f. 15th May, 2018.

Meetings

During the financial year 2017-18, the Sub-Committee of Directors met 9 times on 13th April, 2017, 28th June, 2017, 25th July, 2017, 1st September, 2017, 26th September, 2017, 10th November, 2017, 27th December, 2017, 19th February, 2018 and 26th March, 2018. The decisions taken at the Sub Committee meetings are reviewed by the Board at its meetings. 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 Mr. Abhyuday Jindal¹, Managing Director, Mr. Jagmohan Sood¹, Whole Time Director, Mr. Bhartendu Harit, Company Secretary and a representative of Registrar & Transfer Agent.

During the financial year ended 31st March 2018, all the valid requests for transfers of shares were processed in time and there were no pending transfers of shares.

1 Mr. Abhyuday Jindal and Mr. Jagmohan Sood have been inducted as Chairman and Member respectively w.e.f. 15th May, 2018. Mr. Ashok Kumar Gupta ceased to be Chairman of the Committee w.e.f. 15th May, 2018.

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 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 2018:

(a) Executive Directors:

Name of Director	Designation	Amount (in ₹)						
		Salary	Perquisites	Commission	Contribution to PF	Others	Total	Notice Period
Mr. Ashok Kumar Gupta *	Whole Time Director	2,72,50,193	2,53,200	-	-	3,68,219	2,78,71,612	N.A.

* Ceased to be Director w.e.f. 15th May, 2018

(b) Non-Executive Directors:

Particulars of commission / sitting fee paid to the Non Executive Directors during financial year ended 31st March, 2018 are as follows:

Name of Director	Commission (₹ in Lakhs)	Sitting fee paid Amount (₹ in Lakhs)
Mr. Ratan Jindal	1595.00	2.50
Mrs. Deepika Jindal	-	2.50
Mr. Abhyuday Jindal ¹	957.00	2.10
Mr. Kanwaljit Singh Thind	-	3.40
Mr. Girish Sharma	-	3.00
Mr. Arunendra Kumar	-	3.00
Mr. Nirmal Chandra Mathur	-	2.40

1 Mr. Abhyuday Jindal has been appointed as Managing Director of the Company w.e.f. 26th April, 2018. He was earlier on the Board of Directors in the capacity of Non-Executive Vice Chairman of the Company.

There has been no material pecuniary relationship or transactions between the Company and Non Executive Directors during the financial year 2017-18, 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
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.
2016-17	26.09.2017	Tuesday	1:00 P.M.	No special resolution was passed.

No special resolution was put through postal ballot last year.

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 are submitted with the stock exchanges after they are approved by the Board. These are also published in the Newspapers, in the prescribed format as per the provisions of the SEBI LODR.
ii	Newspapers wherein results normally published	Economic Times, Financial Express, Times of India (English), Navbharat Times, Jansatta (Hindi) for the year 2017-18
iii	Any website, where displayed	www.jshlstainless.com
iv	Whether it also displays official news releases	The Company gives Press Releases to the stock exchanges and displays the same on its website.
v	The Presentations made to institutional investors or to the analysts	The Company holds Analysts' / Investors' Meetings from time to time. The presentations made at the said meetings are uploaded on Company's website.
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	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 - Venue	Thursday, 27 th September, 2018 at 12:30 P.M. 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 2018-19 (Tentative) :	Annual General Meeting – (Next Year) <u>Financial Reporting</u> Results for quarter ended June 30, 2018 Results for quarter ending Sept. 30, 2018 Results for quarter ending Dec. 31, 2018 Results for year ending Mar. 31, 2018 (Audited)	September, 2019 26 th July, 2018 (Actual) On or before 14 th Nov., 2018 On or before 14 th Feb., 2019 On or before 30 th May, 2019
7.4	Book Closure date :	17 th day of September, 2018 to 18 th day of September, 2018 (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 2017-18.	

7.6 Unclaimed Share:

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 ₹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 2017-18, 3,215 unclaimed Equity Shares of ₹2 each held by 17 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:

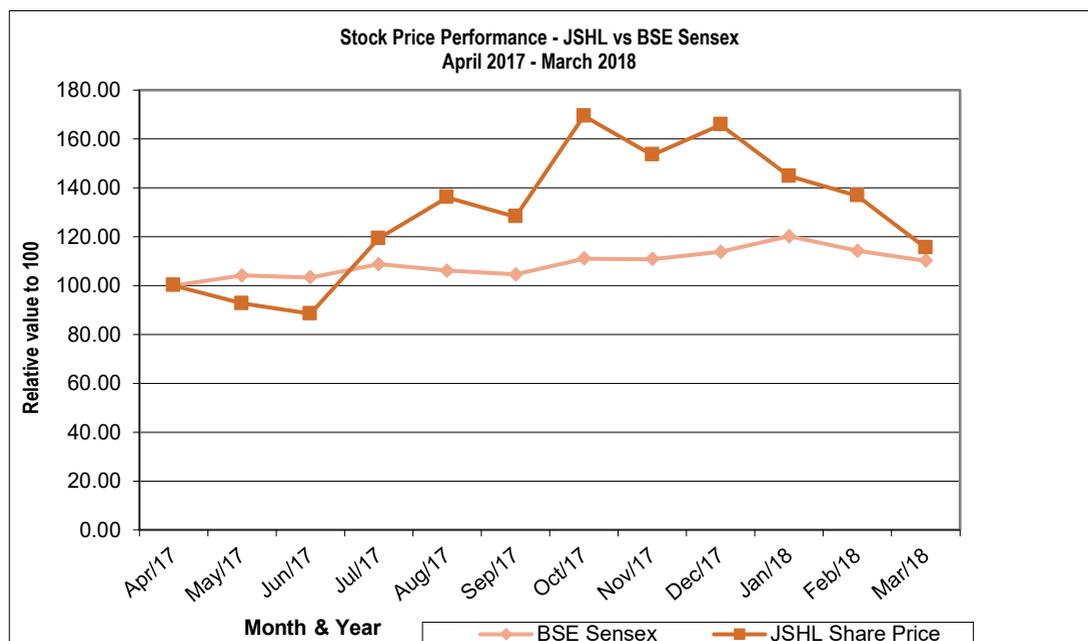
Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account as on 1 st April, 2017	1,490	1,93,525
Number of shareholders who approached the Company / RTA for transfer of shares from suspense account during the year ended 31st March, 2018	17	3,215
Number of shareholders to whom shares were transferred from suspense account during the year ended 31st March, 2018	17	3,215
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2018	1,473	1,90,310

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

As and when the rightful owner of such shares approaches the Company 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 on Stock Exchanges	:	National Stock Exchange of India Ltd., Exchange Plaza, 5 th Floor, Plot No. C/1, G – Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
The annual listing fees for the year 2018-19 have been paid to both BSE and NSE.				
	(b) Listing of GDS on Stock Exchange	:	Luxembourg Stock Exchange, P.O. Box 165, L – 2011, Luxembourg	
7.8	Stock Code (Equity Shares)	:	Trading Symbol – BSE Limited (Demat Segment)	539597
			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		Month's High Price (In ₹)	Month's Low Price (In ₹)
			Month's Low Price (In ₹)	Month's High Price (In ₹)
	April, 2017		151.65	134.30
	May, 2017		155.50	120.75
	June, 2017		130.95	117.95
	July, 2017		165.00	120.30
	August, 2017		190.80	156.00
	September, 2017		209.35	163.20
	October, 2017		233.00	171.20
	November, 2017		239.00	194.40
	December, 2017		239.40	196.90
	January, 2018		252.40	195.00
	February, 2018		225.00	171.95
	March, 2018		196.20	150.05

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



- 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 31 st March, 2018:					
By size of shareholding		Shareholders		Equity shares held	
		Number	Percentage	Number	Percentage
1	- 2500	49,592	97.32	1,35,91,611	5.76
2501	- 5000	638	1.25	23,51,393	1.00
5001	- 10000	308	0.60	23,12,139	0.98
10001	- 15000	123	0.24	15,17,083	0.64
15001	- 20000	65	0.13	11,84,303	0.50
20001	- 25000	29	0.06	6,57,657	0.28
25001	- 50000	74	0.15	26,94,342	1.14
50001	& Above	128	0.25	21,16,26,157	89.70
TOTAL		50,957	100.00	23,59,34,685	100.00
Physical Mode		11,087	21.76	33,38,641	1.42
Electronic Mode		39,870	78.24	23,25,96,044	98.58
By category of shareholders		Equity Shares held			
		Number	Percentage		
Promoters		12,18,21,330	51.63		
GDS held by promoters underlying shares		1,42,34,984	6.03		
GDS held by others underlying shares		8,69,350	0.37		
FIs/Banks/Mutual Funds		76,60,206	3.25		
Corporate Bodies		1,37,88,909	5.84		
FIIs/ Foreign Portfolio Investor (Corporate)		4,51,53,513	19.14		
NRIs/OCBs		91,73,296	3.89		
Public /others		2,32,33,097	9.85		
Total		23,59,34,685	100.00		
7.16	Dematerialisation of shares	:	As on 31st March, 2018, 98.58% 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 1,51,04,334 equity shares having face value of ₹2/- each, underlying 75,52,167 GDS. As on 31 st March, 2018, 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	:	<table border="1"> <tr> <td>HISAR O.P. Jindal Marg, Hisar – 125 005 (Haryana).</td> <td>KOTHAVALASA Jindal Nagar, Kothavalasa – 535 183 Dist. Vizianagaram (A.P.)</td> </tr> </table>	HISAR O.P. Jindal Marg, Hisar – 125 005 (Haryana).	KOTHAVALASA Jindal Nagar, Kothavalasa – 535 183 Dist. Vizianagaram (A.P.)
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).					

8. DISCLOSURES:

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

The Company has not entered into any transaction of material nature with the promoters, the directors or the management, their subsidiaries or relatives etc. that may have any potential conflict with the interests of the Company. Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report. 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.jshlsteel.com/pdf/Policy%20on%20dealing%20with%20Related%20Party%20Transactions%20JSHL.pdf>

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

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

(iii) **Details of 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 Rule 7 of the 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.jshlsteel.com/pdf/Whistle%20Blower%20Policy-JSHL.pdf>

- (iv) **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.jshlstainless.com/pdf/JSHL%20Material%20Event%20Policy.pdf>

<http://www.jshlstainless.com/pdf/JSHL%20Preservation%20and%20Archival%20Policy.pdf>

- (v) **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.jshlstainless.com/pdf/Policy%20for%20determining%20material%20subsidiaries.pdf>

- (vi) **Dividend Distribution Policy**

The Company has formulated a Dividend Distribution Policy in accordance with the requirement of Regulation 43A of SEBI LODR. The said Policy has also been uploaded on Company's website at the following link:

<http://www.jshlstainless.com/pdf/Dividend-Distribution-Policy20818.pdf>

- (vii) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.**

Compliance with mandatory and non-mandatory requirements (as on 31st March, 2018)

The Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations. The Company has adopted following non-mandatory requirements of Regulation 27 and Regulation 34 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.jshlstainless.com. In view of the above, 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.

3. Reporting of Internal Auditor

PricewaterhouseCoopers India LLP ("PWC") are the internal auditors of the Company and make presentations on their reports to the Audit Committee.

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, 2018 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: 26th April, 2018

(Ashok Kumar Gupta) ¹
Whole Time Director

¹ Mr. Ashok Kumar Gupta has ceased to be the Whole Time Director w.e.f. 15th May, 2018.

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, 2018, 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 ("the Company") for the year ended on March 31, 2018 as stipulated in the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for the period from April 1, 2017 up to March 31, 2018.

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, 2017 up to March 31, 2018 have been complied with by the Company.

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: July 16, 2018

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

MANAGEMENT DISCUSSION AND ANALYSIS

Company Overview

Jindal Stainless Hisar Ltd. (JSHL) is the largest specialty stainless steel producer in India with a wide value added product portfolio. The Company is the world's largest producer of Stainless Steel strips for razor blades and India's largest producer of coin blanks.

The Company operates an integrated stainless steel plant at Hisar, Haryana. The complex has a total stainless steel capacity of 0.8 million tonnes per annum. JSHL creates exclusive SS Lifestyle products with a wide distribution channel and a strong retail presence.

Facilities (Hisar Plant)	Unit	Capacity
SMS Melting	MT	800,000
Hot Rolling – Steckel	MT	720,000
HR – Tandem Strip Mill		300,000
Plate		48,000
Cold Rolling	MT	375,000
SPD	MT	25,000
Coin Blanking		10,000

Facilities (Vizag Plant)	Unit	Capacity
Ferro Alloys		40,000

JSHL's dedicated Research and Development (R&D) division helps it to continuously innovate and develop high-value specialty products. Over the last four decades, the Company has been a market leader in domestic Stainless Steel production with a variety of products used in various applications from cookware to industrial and process engineering sectors.

JSHL's growth over the years has been backed by its cutting-edge R&D, world class manufacturing infrastructure, efficient distribution network, deep consumer insights and dedicated human resources. Additionally, the Company's strategic positioning for the last 40 years, long term relationships with customers and suppliers gives it a strong edge over other competitors.

Growth through Specialization

Leader in value-added Specialty Products

JSHL has been into value-added specialty products, especially Blade steel, Coin blanks, Specialty Precision products, Defense and Automobiles. Additionally, JSHL's subsidiary, JSL Lifestyle which is into B-to-C business caters to various products like stainless steel portable toilets, Modular Kitchen and Kitchenware, railway coach components, home cooking utensils, tableware, dining range, office accessories, etc. Additionally, it also caters to various engineering and architectural segments and provides plumbing solutions.

JSHL holds a significant portion of the Specialty products market in India. Going ahead, JSHL aspires to further increase its specialty and value-added products revenue share. The Company's single-minded focus on downstream value-added products coupled with a steady volume expansion is expected to drive its growth, going ahead.

Over the years, the Company has remained at the forefront of new-age application development and has constantly evaluated opportunities to further strengthen its specialty products portfolio., JSHL remains extremely focused on development of new value added SS grades as well as on process improvements in the best possible way.

JSHL's Cutting Edge R&D to provide further impetus to its Specialty Product Portfolio

JSHL is well equipped with cutting-edge technology in the Specialty Products Division along with a state-of-the art R&D wing. The Company continues to be at the forefront in technology adoption in the Indian SS industry. Its advanced R&D division has helped it to successfully develop high-value specialty products and consistently create value addition in its existing products and processes.

The various initiatives undertaken towards the betterment of R&D activities have fruitfully resulted in the Company being able to introduce new age applications/products. Strong R&D capabilities have also helped JSHL to not only cater on-going requirements of existing customers but foray into the defense sector as well. Today, JSHL's R&D division plays a pivotal role in retaining and consolidating its strong leadership position in the Stainless Steel industry.

Foray into Defense Specialty sector

The Company also has a strong presence in the manufacturing category of specialty steel for Defense segment. By signing a License agreement with Defense Research & Development Organisation (DRDO), Ministry of Defense, JSHL became India's first Company to commercially manufacture high nitrogen steel (HNS) for defense sector.

The Company has played a pivotal role to curtail the import of the traditional Rolled Homogenous Armour (RHA), resulting in improved cost efficiency in material acquisition for armour applications by 50%. JSHL has not only accelerated the indigenization process of Indian defense arsenal but has also assisted the Defense sector by making available the best material for manufacturing lighter armour vehicles.

The Hisar facility manufacturing process has been optimized for industry scale production to cater to stringent and niche requirements of Indian Defense and Paramilitary forces. JSHL "looks forward" to collaborate with the Defense Ministry to achieve greater efficacy of Indian armed forces, enhance its capabilities and make India self-reliant in defense requirements.

Customer-centric Brand Portfolio

JSHL has set new benchmarks in the Indian Stainless Steel Industry through its customer centric brand portfolio. The Company's three well-known brands which are Artd'inox, Krome and ARC fall into the umbrella of its subsidiary Company 'JJSL Lifestyle Ltd'. These three popular brands are providing a sustainable competitive advantage to JSHL. They are helping to enhance customer engagement and expand the overall presence of the Company across product categories. These brands provide wide range of specialty products and have a unique business model. JSHL is confident about the growth potential of each of these brands, going forward.

Key Growth Enablers

Structural growth of Stainless Steel demand in India

Today, Stainless Steel is one of the fastest growing value-added metal in the country. In the last few years, the Government of India has taken strong initiatives which have given significant push to the domestic SS industry.

a) Rising SS demand from multiple sectors of the Indian economy

Today, newer trends in Auto sector like SS Fuel Tanks, BS-VI compliant exhaust systems, SS Bus Body, etc. are significantly driving the overall stainless steel demand from the industry. Apart from this, Food Processing and pharmaceuticals sectors are also driving significant SS demand in the Country. Industry reports expect noteworthy growth from the Kitchenware and Consumer Durables in the coming years, which would again result in a major uptick of SS demand.

In addition, strong impetus from Government on safety and increasing passenger trains are some of the evolving trends that are expected to ensure robust Stainless Steel demand from railways. Metro railway systems which are being developed across the country are using stainless steel material for construction of its light weight coaches. Railway Station modernization and use of Stainless Steel in Foot Over Bridge (FOB) are some other promising segments that will drive the overall stainless steel demand in future.

b) Government Initiatives to provide growth impetus

The Indian Government has taken up number of initiatives to protect the domestic industry control the surge in imports and perform better. In addition, the implementation of Bureau of Indian Standards (BIS) is also helping to control import of sub-standard material into the country.

Regulatory changes such as GST and e-way bill implementation are expected to give a fillip to the industry by reducing complexities related to movement of goods, boosting the overall demand, reducing logistic costs and most importantly curbing the parallel unorganized economy. Other Government initiatives like 'Make in India' and Smart cities are supporting development of public infrastructure in the country leading to higher stainless steel growth. Further the newer safety norms which include the usage of SS fuel tanks and BS-VI compliant exhaust systems are driving SS demand from the industry.

Wide range of product applications and new segment penetration

Over the past two decades, the Indian stainless steel consumption has moved away from the most primary usage in cookware/durable to new value-added categories of ABC, ART and process industries. The change is following global pattern of countries where per capita incomes of developing countries is accelerating in line with developed countries.

JSHL's well diversified product portfolio has a wide range of stainless steel products across all product applications (ABC, ART, Process & Engineering and Consumer Products). It is well equipped and has the flexibility to produce various grades of stainless steel with different specifications relating to width, thickness, finish and weight, based on customer precise specifications.

JSHL has a superior product-portfolio and is well positioned to leverage its presence across verticals to deliver above industry average growth rates.

Robust Domestic and Global distribution network

JSHL has emerged as one of the well diversified stainless steel solution provider in the Country. JSHL is equipped with a stainless steel manufacturing facility at Hisar, Haryana and at Visakhapatnam, Andhra Pradesh; along with 15 sales offices across the country. As a major pan-India player in the domestic market, JSHL has in place multiple touch points which enable its customers to avail the best of the benefits.

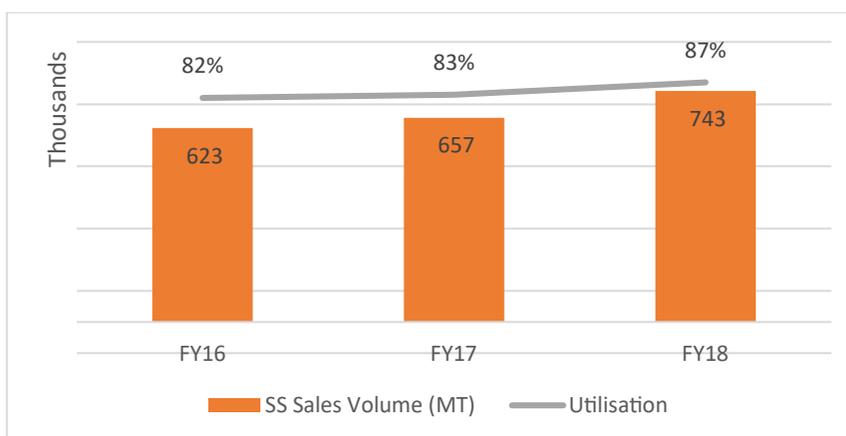
Internationally, the Company has an extensive global network with 12 International sales offices spread across United States, Spain, Italy, the United Arab Emirates, Russia, China and Vietnam. JSHL's distribution network of sales offices and service centers enables it to better manage its inventory, cater services to domestic and International customers and obtain necessary customer feedback in order to provide more customized products.

Performance Highlights – 2018 vs 2017

Particulars (in Rs. crore)	Standalone			Consolidated		
	FY 2018	FY 2017	YoY (%)	FY 2018	FY 2017	YoY (%)
Revenue from operations	9,450.23	7,575.55	25%	10,563.30	8,536.19	24%
Total Expenditure	8,972.79	7,328.42	22%	10,025.12	8,272.27	21%
EBITDA	1,139.49	924.30	23%	1,230.64	980.56	26%
Other Income	112.20	60.70	85%	116.05	65.00	79%
Finance Cost	395.45	411.93	-4%	408.20	431.41	-5%
Depreciation	266.60	265.24	1%	284.26	285.23	0%
PBT	608.08	325.85	87%	821.10	407.44	102%
Tax	212.38	107.83	97%	233.45	116.96	100%
PAT	395.70	218.02	81%	587.65	290.48	102%
EPS (Diluted) in INR	16.77	9.24	81%	24.50	12.15	102%

The standalone revenue from operations has increased by 25% at Rs. 9,450.23 crore as compared to Rs 7,575.55 crore during previous year 2016-17. Standalone EBITDA grew by 23% and stood at Rs. 1,139.49 crore as compared to Rs. 924.30 crore during previous year. PAT for the year at Rs. 395.70 crore increased by 81% from Rs. 218.02 crore during previous year. EPS for the year was Rs. 16.77 against Rs. 9.24 for the previous year.

The Company's consolidated revenue from operations grew by 24% Y-o-Y in FY2018 to Rs. 10,563.30 crore. This growth was largely led by a considerable increase in stainless steel demand and due to an improved operational performance. Increased emphasis on growing Stainless Steel demand through various market driven initiatives resulted in higher sales volume.



Consolidated EBITDA increased by 26% Y-o-Y to Rs. 1,230.64 crore in FY 2018 as compared to Rs. 980.56 crore in FY 2017. The improvement was basically on the back of higher volumes and better operational efficiencies. The Company registered steady operational performance with its manufacturing facility being operated at optimal utilization levels.

The Company has been able to successfully report a strong consolidated PAT of Rs. 587.65 crore in FY18 as compared to Rs. 290.48 crore in FY 2017. The EPS for the year was Rs. 24.50 against Rs. 12.15 for the previous year. Significant progress on various strategic initiatives undertaken by the Company has led to an overall operational and financial turnaround.

Quality Management System (ISO 9001:2015)

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. 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 has also upgraded its QMS to comply to the requirements of ISO 9001:2015. The results range from improved consistency in operations to improved customer satisfaction to international recognition.

Environmental Management System (ISO 14001:2015)

JSHL's commitment towards a sustainable and green environment has been demonstrated by ISO 14001 certification. Through ISO 14001:2015 implementation, JSHL demonstrates its intent of being a better corporate citizen, have reduced wastes, have proper utilization of resources and have improved upon their carbon footprint as well.

Occupation Health and Safety Management System (OHSAS 18001)

JSHL, by being an OHSAS 18001 certified organization, demonstrates its commitment to instigate proper and effective management of health & safety in the workplace, thus minimizing the risks to its workforce and visitors or external contractors on their premises. Cost savings and a reduction in accidents are just two of the many benefits accrued.

PED, AD 2000 W0, CPR, Norsok & Nabl

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), AD 2000 W0, Construction Product Regulation (0045-CPD-0896, also known as CE marking and the most recently acquired Norsok M-650 certification for Duplex Stainless Steel. 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 and oil & gas 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 and Mechanical 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.

Way Forward

Several internal and external factors augur well for the Company's future. Today, JSHL is well positioned to capitalize on the enormous growth potential the Stainless Steel industry offers. It has in place sufficient capacity and headroom for growth and has a wide domestic and International presence. JSHL's focus is to carry forward the momentum of recent quarters into the next 12-18 months. Overall, the company remains confident that its strategic initiatives will provide levers for high quality growth and fortify its profitability.

FORWARD-LOOKING STATEMENT

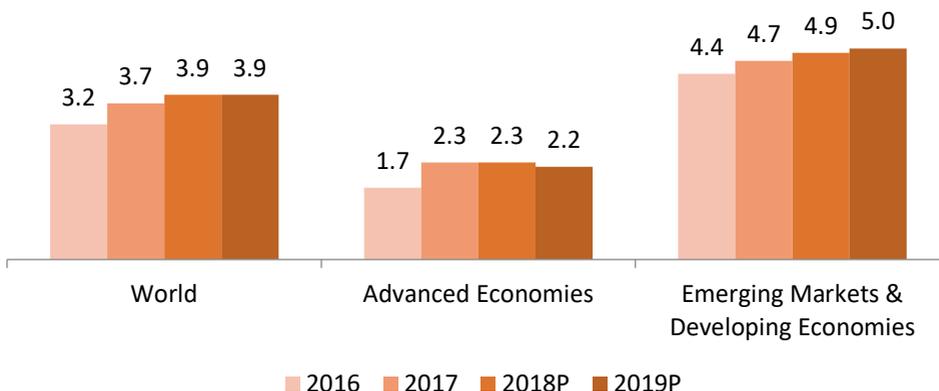
This Annual Report includes forward-looking statements regarding guidance, industry prospects, or future results of operations or financial position. We use words such as anticipates, believes, expects, future, intends, and similar expressions to identify forward looking statements. Forward looking statements 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.

ECONOMIC OVERVIEW & OUTLOOK

Global Economy

Global economic activities, which have been on the rise since mid-2016, posted a growth of 3.7% in 2017, according to the World Economic Outlook report by the International Monetary Fund (IMF). This growth was largely broad-based with positive developments in Europe and Asia. Going ahead, global economy is expected to maintain its pace assisted by prospects of favorable financial conditions across the globe and a spurt in demand in export-oriented economies. It is further encouraging that global growth forecasts for 2018 have been revised upward by 0.2 percentage points to 3.9%, reflective of the increased global growth momentum.

Global GDP Growth, %



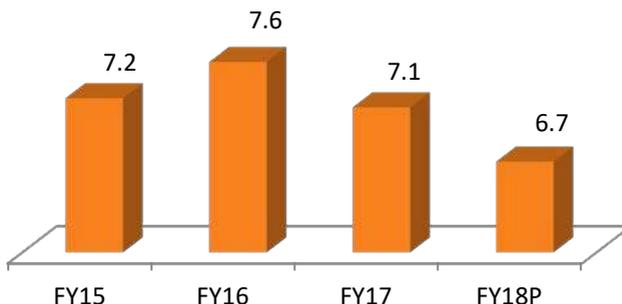
Source: IMF's World Economic Outlook Update, January 2018

Indian Economy

Financial year 2017-18 was an eventful year for the Indian economy. The first half of the year saw the impact of demonetization settling down and some uncertainties as businesses adjusted to the new regime due to introduction of Goods and Services Tax (GST). However, this did not take long and the second half of the year witnessed significant improvement in GDP growth.

Most importantly, the year witnessed the introduction of the landmark GST in the country. Leaving aside the initial short-term disruptions associated with any major structural reform, the benefits of GST over the medium term are indisputable. The Union Budget 2018 further strengthened the momentum of reforms, as it largely focused on infrastructure development, upliftment of rural economy, improvement in quality of education and strengthening the country's agriculture sector.

India GDP Growth, %



Source: CSO, IMF

The overall GDP growth seen by the Indian economy during the financial year that ended on March 31, 2018, stood at 6.7 per cent, according to the Government data. The International Monetary Fund (IMF) remains bullish on India's growth potential and has forecasted growth at 7.43% in FY19, making India the world's fastest-growing economy in the world. This growth is largely expected to be lifted by strong private consumption as well as fading transitory effects of the currency exchange initiative and implementation of the GST.

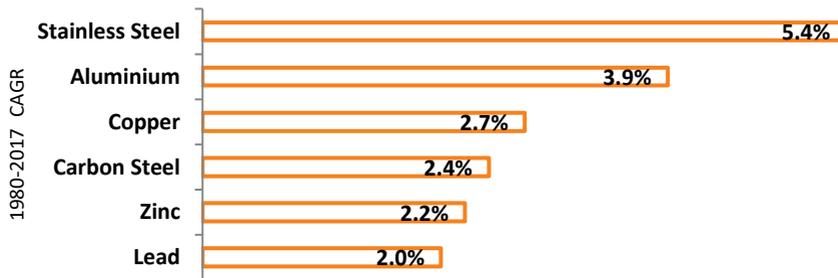
Stainless Steel Market Overview & Outlook

The information in this section includes data published by CRISIL, World Bank, ISSF.

Global Stainless Steel Scenario

The Global stainless steel (SS) consumption has been increasing over the past few years primarily driven by a strong spurt in demand from China and India. According to CRISIL, the total SS demand has increased substantially from 35.9 million tonnes (MT) in CY2012 to 48.4 MT in CY2017, registering a healthy growth rate of 6.2% over the period. Over the past two decades, the stainless steel has seen the highest consumption growth as against other metals such as zinc, aluminum and carbon steel.

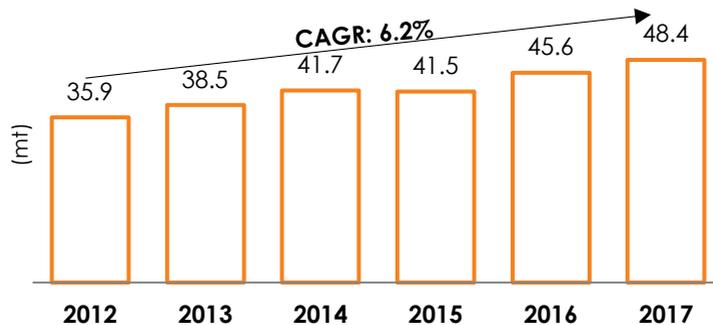
Stainless Steel emerges as fastest growing metal



Source: ISSF

The global stainless steel market maintained its momentum in CY 2017 in terms of growth and is expected to continue growing through CY 2018 as well. In 2017, stainless steel consumption rose rampantly in other economies such as Russia, South Africa, Korea, Brazil, etc. Developing Countries are expected to continue dominating the stainless steel market; and anticipated to occupy more than 70% of market share by 2022.

Healthy growth in global stainless steel demand



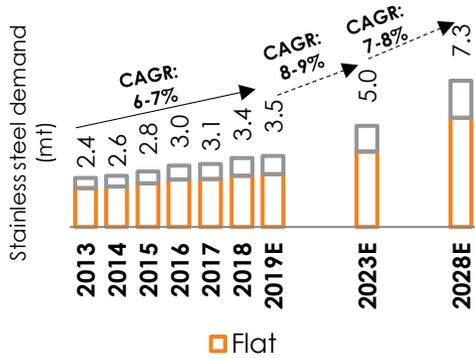
Source: CRISIL

Overall, the long-term outlook on global stainless steel demand remains positive. Due to its strong inherent qualities of being corrosion resistance, formability, strength and cryogenic toughness; the SS applications are only anticipated to expand further. Global mega trends such as urbanization, climate change and increased mobility combined with growing global demand for energy, food & water are expected to support future spurt in stainless steel demand.

Domestic Stainless Steel Scenario

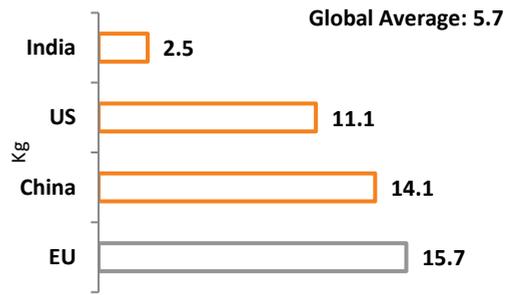
India continues to be the second largest producer and consumer of stainless steel in the world. India's stainless steel demand stood at 3.4 MT in FY18, registering a robust growth of 9% YoY. Despite being the second-largest consumer of stainless steel in the world, India's per-capita consumption at ~ 2kg, which is considerably lower compared to global average of 5.7 kg and ~14.1 kg in China. Therefore, India's stainless steel sector remains highly under-penetrated and offers significant headroom for growth.

India continues to be the second largest consumer with consistent growth over the years...



Source: JPC, ISSDA, CRISIL

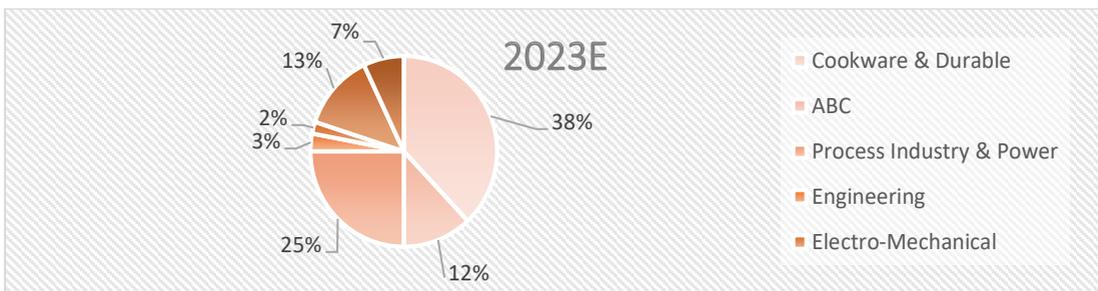
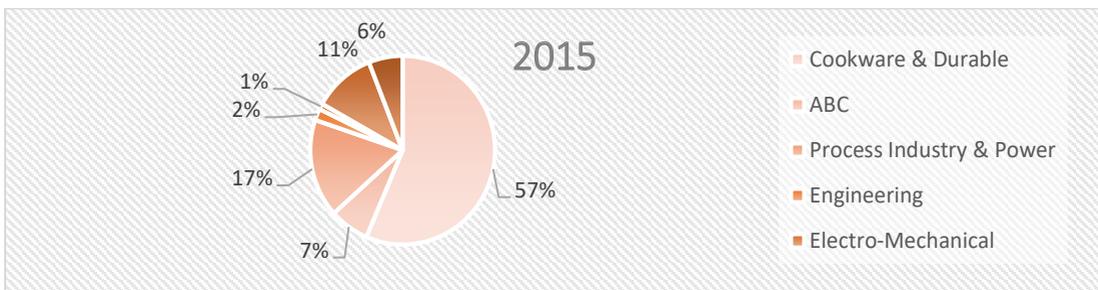
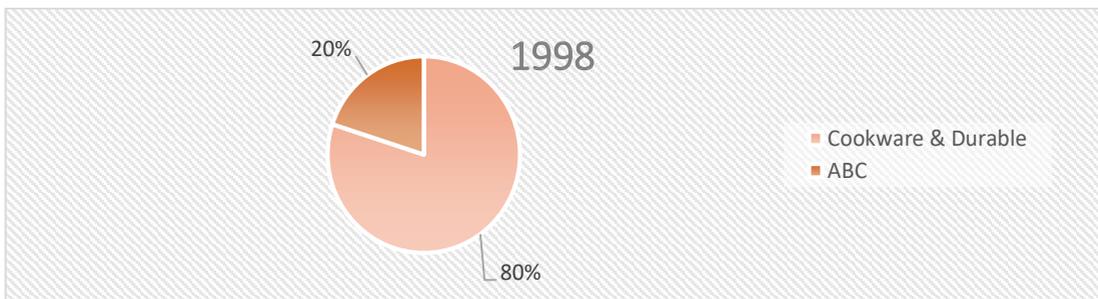
...given low per capita consumption (in kg)



Source: World Bank, ISSF, CRISIL

On the back of strong growth expected in Architecture, Building Construction (ABC) and Automobiles, Railway and Transport (ART) segments, CRISIL Research expects stainless steel demand to grow 8-9% CAGR over the next five years. However, with emerging trends in building and construction, increasing penetration of stainless steel in Railways and strong growth in automobile production will provide impetus for overall stainless steel demand.

Consumption Pattern diversifying across categories



Source: ISSF (worldstainless.org)

The consumption of stainless steel has undergone a major transformation in India. Over the past two decades, stainless steel consumption in India has moved away from the most primary usage in cookware/durable to new value added categories of ABC, ART and process industries. In 1998 the cookware and durables segment constituted 80% of SS Consumption as compared to 57% in 2015.

Automotive, Railway & Transport (ART) sector is estimated to have accounted for 10-12 per cent of the total stainless steel demand in India during 2017-18. The demand for stainless steel is expected to witness significant rise in this segment with the changing consumption pattern, especially in automobile and railways. Indian Railways' push to increase the number of stainless steel coaches and rising demand for metro coaches will significantly increase stainless steel demand. Also, due to the metal's extended service life, low maintenance cost and higher payload ratio, penetration of stainless steel wagons will increase consistently. Hence, over the next five years, CRISIL Research expects stainless steel demand from Railways to improve at a robust pace upto 2022-23. CRISIL Research projects stainless steel demand from the ART segment to grow 8-9% CAGR over the next decade.

Architecture, Building & Construction (ABC) segment:

In 2017-18, the Architectural, Building & Construction (ABC) segment is estimated to have accounted 8-10% of the Country's total stainless steel demand. This segment assumes importance due to its evolving and fast-growing application areas. Growth will largely be driven by the MRTS sector and commercial and retail complexes. CRISIL Research projects stainless steel demand from the ABC segment to grow 10-11% CAGR over the next five years.

Process Industry:

Maintenance free long life and flawless hygiene characteristics of stainless steel make it an ideal choice for process industries. Food processing and pharmaceutical industries are major end users of stainless steel, comprising more than 60% of its total demand within the process industry segment. CRISIL estimates stainless steel demand from the process industry segment to grow at a modest 6.5-7.5% over the next five years.

Consumer Durables and Cookware sector:

Kitchenware items have seen a transformation from being just functional. The gradual shift in lifestyle coupled with growing disposable income has led to the emergence of convenient and fashion-driven stainless steel kitchenware and tableware. As per CRISIL Research's estimates, stainless steel demand in kitchenware is expected to expand 7-8% CAGR over the next 10 years. There is a considerable growth of stainless steel consumption in consumer goods with gradual shift in lifestyle coupled with growing disposable income. As per CRISIL estimates consumer durables industry is expected to grow at 9-10% CAGR led by the continued economic recovery, rising disposable incomes, and reasonably low penetration levels.

INDEPENDENT AUDITOR'S REPORT

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, 2018, 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, 2018, 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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. 34 & 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.

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

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

N.K. LODHA
Partner
Membership No. 85155

SUNIL WAHAL
Partner
Membership No. 87294

Place: New Delhi
Dated: 26th April 2018

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 2018

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 programe 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 repayment and receipts have not become due for payment as on 31st March 2018 (read with footnote @ to note no. 50).
 - (c) There is no overdue amount remaining outstanding as at the year-end.
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, [Read with note no. 50].
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
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 generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, goods and service 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, 2018.
- (b) According to the records and information & explanations given to us, there are no dues in respect of Income tax, service tax, goods and service 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 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	Apr 5 - Jun 95	High Court, New Delhi
		6.58	Jan 99 - Dec 04	High Court of Punjab & Haryana
		3.12	Jul 11 - Jul 13	Revisionary Authority, New Delhi
		2.17	Oct 13 - Jun 14	Revisionary Authority, New Delhi
		1.80	Aug 08 - Jun 09	CESTAT, Chandigarh
		0.74	Aug 09 - Feb 10	CESTAT, Chandigarh

Name of The Statute	Nature of Dues	Amount (₹ in Crore)	Period (Financial Year)	Forum where dispute is pending
		14.80	Jul 05 - Dec 07	Commissioner, Rohtak
		0.08	1994-95	Addl. Commissioner of Central Excise, Rohtak
		0.05	May 07 - Oct 07	High Court of Punjab & Haryana.
		0.05	Jul 09	High Court of Punjab & Haryana.
		0.84	May 10 - Jun 10	CESTAT, Chandigarh
		0.21	Sept 10 - Dec 10	CESTAT, Chandigarh
		3.97	Oct 14 - Mar 15	Revisionary Authority, New Delhi
The Custom Act, 1962	Custom Duty	0.10	2012-13	CESTAT, Delhi
The Central Sales Tax, 1956	Sales Tax	0.03	1993-94	High Court of Punjab & Haryana

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. 50].
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 and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
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

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

N.K. LODHA
Partner
Membership No. 85155

SUNIL WAHAL
Partner
Membership No. 87294

Place: New Delhi
Dated: 26th April 2018

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, 2018 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, 2018, 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

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

N.K. LODHA
Partner
Membership No. 85155

SUNIL WAHAL
Partner
Membership No. 87294

Place: New Delhi
Dated: 26th April 2018

JINDAL STAINLESS (HISAR) LIMITED
Balance sheet as at 31st March, 2018

(₹ in Crore)				
		NOTE NO.	As at 31.03.2018	As at 31.03.2017
	ASSETS			
(1)	Non-current assets			
	(a) Property, plant and equipment	2	2,088.35	2,221.84
	(b) Capital work-in-progress		63.08	40.54
	(c) Goodwill	3	10.34	10.34
	(d) Other intangible assets	3	3.29	1.59
	(e) Financial assets			
	(i) Investments	4	416.77	416.77
	(ii) Loans	5	934.86	519.86
	(iii) Others financial assets	6	25.95	47.16
	(f) Other non-current assets	7	18.31	8.67
(2)	Current assets			
	(a) Inventories	8	1,469.72	1,539.87
	(b) Financial assets			
	(i) Trade receivables	9	863.49	1,088.54
	(ii) Cash and cash equivalents	10	6.29	6.99
	(iii) Bank balances other than (ii) above	11	0.95	1.04
	(iv) Others financial assets	12	35.99	73.62
	(c) Other current assets	13	246.19	334.19
	TOTAL ASSETS		6,183.58	6,311.02
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity share capital	14	47.19	47.19
	(b) Other equity	15	1,208.82	814.87
(1)	LIABILITIES			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	16	2,206.32	2,401.51
	(b) Provisions	17	14.91	8.88
	(c) Deferred tax liabilities (net)	18	81.54	37.33
(2)	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	19	442.39	842.09
	(ii) Trade payables	20	1,485.59	1,480.56
	(iii) Other financial liabilities	21	410.44	344.21
	(b) Other current liabilities	22	239.73	292.61
	(c) Provisions	23	2.20	10.54
	(d) Current tax liabilities (net)	24	44.45	31.23
	TOTAL EQUITY AND LIABILITIES		6,183.58	6,311.02
	Significant accounting policies	1		
	Notes referred to above form an integral part of these financial statements	2-58		

JINDAL STAINLESS (HISAR) LIMITED

Balance sheet as at 31st March, 2018

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: 26th April 2018			

(₹ in Crore)				
		NOTE NO	For the year ended 31.03.2018	For the year ended 31.03.2017
	INCOME			
I	Revenue from operations	25	9,450.23	7,575.55
II	Other income	26	112.20	60.70
III	TOTAL INCOME (I+II)		9,562.43	7,636.25
	EXPENSES			
	Cost of materials consumed	27	5,544.47	4,412.34
	Excise duty on sales		191.56	685.74
	Purchases of trading goods	28	537.31	81.24
	Changes in inventories of finished goods, work in progress and trading goods	29	58.38	(202.98)
	Employee benefits expenses	30	169.93	144.61
	Finance costs	31	395.45	411.93
	Depreciation and amortization expenses	32	266.60	265.24
	Other expenses	33	1,809.09	1,530.30
	TOTAL EXPENSES (IV)		8,972.79	7,328.42
V	Profit before exceptional items and tax (III-IV)		589.64	307.83
VI	Exceptional items - Gain/(Loss)	36	18.44	18.02
VII	Profit before tax (V+VI)		608.08	325.85
VIII	Tax expense			
	Provision for current tax		167.21	69.77
	Provision for deferred tax		45.48	38.06
	Previous year taxation adjustment		(0.31)	-
IX	Profit for the year (VII-VIII)		395.70	218.02
X	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains (losses) on defined benefit plans		(2.67)	(3.44)
	Income tax effect on above		0.92	1.19
XI	Total comprehensive income for the year		393.95	215.77
XII	Earnings per share (in ₹)	52		
	Basic		16.77	9.32
	Diluted		16.77	9.24
	Significant accounting policies	1		
	Notes referred to above form an integral part of these financial statements	2-58		

JINDAL STAINLESS (HISAR) LIMITED

Statement of profit & loss for the year ended on 31st March, 2018

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: 26th April 2018			

EQUITY SHARE CAPITAL

(₹ in Crore)				
As at 01.04.2016	Changes in equity share capital during 2016-17	As at 01.04.2017	Changes in equity share capital during 2017-18	As at 31.03.2018
46.24	0.95	47.19	-	47.19

OTHER EQUITY

(₹ in Crore)						
	Equity 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)	
Balance as at 1st April, 2016	25.00	0.05	538.89	37.01	(0.90)	600.05
Profit for the year 2016-17				218.02		218.02
Addition/(Transfer) #	(25.00)		24.05		(2.25)	(0.95)
Re-measurements of the net defined benefit Plans					(2.25)	(2.25)
Balance as at 31st March, 2017	-	0.05	562.94	255.03	(3.15)	814.87
Profit for the year 2017-18				395.70		395.70
Re-measurements of the net defined benefit Plans					(1.75)	(1.75)
Balance as at 31st March, 2018	-	0.05	562.94	650.73	(4.90)	1,208.82
# Conversion of CCW's in equity shares (refer note no.37)						

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: 26th April 2018			

		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
A.	Cash inflow / (outflow) from operating activities		
	Net Profit/(Loss) before tax and after exceptional items	608.08	325.85
	Adjustment for:		
	Add/(Less)		
	Depreciation and amortisation expenses	266.60	265.24
	Provision for doubtful debts & advance / bad debts (Net)	4.37	40.18
	Effect of unrealised foreign exchange (gain)/loss	(4.17)	(36.45)
	Mark to market of derivatives contract (gain)/loss	2.16	(3.54)
	Finance costs	395.45	411.93
	Interest income	(109.86)	(55.92)
	Re-measurements of the net defined benefit plans	(2.67)	(3.44)
	Loss on sale/discard of property, plant & equipment (Net)	0.31	1.62
	Operating profit before working capital changes	1,160.27	945.47
	Adjustment for:		
	(Increase) / Decrease in inventories	70.15	(456.53)
	(Increase) / Decrease in trade receivables	225.29	(336.10)
	(Increase) / Decrease in loans & advances and other assets	125.45	(257.58)
	Increase / (Decrease) in liabilities and provisions	16.79	798.48
	Cash inflow from operating activities before exceptional items	1,597.95	693.74
	Income tax (advance) / refund (Net)	(154.03)	(37.42)
	Net cash inflow from operating activities	1,443.92	656.32
B.	Cash inflow / (outflow) from investing activities		
	Amount paid in terms of composite scheme of arrangement	-	(1,415.07)
	Loan given to related party	(289.67)	(282.07)
	Capital expenditure	(182.50)	(132.65)
	Sales proceeds of property, plant & equipment sold	8.78	3.95
	Interest received	5.97	33.91
	Bank deposits encashed/(made)	0.04	(0.66)
	Net cash outflow from investing activities	(457.38)	(1,792.59)
C.	Cash inflow / (outflow) from financing activities		
	Interest and finance charges paid	(395.71)	(410.03)
	(Repayment of) / proceeds from long term borrowings (net)	(190.73)	1,364.10
	(Repayment of) / proceeds from short term borrowings (net)	(400.80)	174.16
	Net cash inflow / (outflow) from financing activities	(987.24)	1,128.23
	Net changes in cash & cash equivalents	(0.70)	(8.04)
	Cash & cash equivalents (closing balance)	6.29	6.99
	Cash & cash equivalents (opening balance)	6.99	15.03
	Net changes in cash & cash equivalents	(0.70)	(8.04)

JINDAL STAINLESS (HISAR) LIMITED

Cash flow statement for the year ended 31st March, 2018

	Notes:		
1)	Cash and cash equivalents includes:- Cash, cheques and pooja and silver coins Balance with banks	0.11 6.18 6.29	4.15 2.84 6.99
2)	Increase in paid up capital are cash neutral and as such not considered in this statement.		
3)	Previous year's figures have been regrouped and rearranged wherever considered necessary.		

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: 26th April 2018			

JINDAL STAINLESS (HISAR) LIMITED

Notes to the financial statements for the year ended 31st March 2018

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 of the Company is located at O. P. Jindal Marg, District Hisar, 125005, Haryana, India.

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 and sheets, cold rolled coils and sheets and specialty products such as razor blade steel, precision strips and coin blanks.

The financial statements of the Company for the year 31st March 2018 were approved and authorized for issue by board of directors in their meeting held on 26th April 2018.

Statement of compliances

The financial statements are a general purpose financial statement which have been prepared in accordance with the Indian 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

These financial statements have been prepared complying in all material respects with the Indian 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 financial statement of all period presented.

The financial statements has been prepared considering all IND AS as notified and made applicable by MCA for reporting date i.e. 31st March 2018.

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.

Standards issued but not yet effective

On 28th March 2018, Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018. These amendments will come into force for financial periods beginning on or after 1st April 2018.

IND AS 21, Foreign currency transactions and advance consideration

It clarified that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, shall be date when an entity has received or paid advance consideration in a foreign currency.

The Company has evaluated the effect of this on the financial statements and the impact is not material.

IND AS 115, revenue from contract with customers

As per revised standard an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Additional disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers, are required to be made.

Transitional provisions provides two options:

- i. Under the Retrospective approach, the standard will be applied retrospectively to each prior reporting period presented in accordance with IND AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- ii. Under the Cumulative catch - up approach, the cumulative effect of initially applying the standard shall be recognized retrospectively at the date of initial application i.e. 1st April 2018.

The Company will adopt the standard on 1st April 2018 by using the cumulative catch-up transition approach and accordingly comparatives for the year ending or ended 31st March, 2018 will not be retrospectively adjusted. The effect on adoption of IND AS 115 is expected to be insignificant.

NOTE NO 1: SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies

1.1 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 ('₹'), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Lacs, except as otherwise stated.

1.2 Property, plant and equipment

- i. Property, plant and equipment are stated cost less accumulated depreciation and impairment losses. Cost comprises of all cost, net of income (if any) incurred to bring the assets to their present location and working condition and other related overheads till such assets are ready for intended use.
- 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 installations, 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 asset's residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.3 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 less accumulated amortisation and impairment loss, if any and cost 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 statement of 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.

Intangible 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.

1.4 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.

1.5 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.

1.6 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.

1.7 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 ventures 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 statement of 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 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.

1.8 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.

1.9 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 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.

1.10 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.

1.11 Foreign currency transactions

i. Functional and presentation currency

The functional and reporting currency of company is INR or ₹.

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 gave rise to the translation difference.

1.12 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.

1.13 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 statement of profit or loss of the period in which it becomes receivable.

1.14 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:

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

1.15 Borrowing costs

- (a) 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.
- (b) 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.
- (c) All other borrowing costs are recognized as expense in the period in which they are incurred.

1.16 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.

1.17 Taxes on income

a) Current tax

i) 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.

ii) 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

i) 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.

ii) 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.

1.18 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.

1.19 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.

1.20 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 shareholder' 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.

1.21 Segment accounting

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

1.22 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.

1.23 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.

1.24 Capital

Debt and equity instruments:

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

1.25 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)							
	# Freehold Land	# Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment and computers	Total
GROSS CARRYING AMOUNT							
As at 1st April, 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
Disposals/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
Additions	-	7.35	131.34	0.13	2.49	0.22	141.53
Disposals/adjustments	-	-	35.50	-	1.35	-	36.85
As at 31st March, 2018	321.06	386.53	2,408.01	6.14	21.37	2.31	3,145.42
ACCUMULATED DEPRECIATION							
As at 1st April, 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
Relating to disposals/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
Charge for the period	-	23.54	239.03	0.71	2.40	0.25	265.93
Relating to disposals/adjustments	-	-	27.10	-	0.66	-	27.76
As at 31st March, 2018	-	93.37	951.62	2.16	9.14	0.78	1,057.07
NET CARRYING AMOUNT							
As at 31st March, 2017	321.06	309.35	1,572.48	4.56	12.83	1.56	2,221.84
As at 31st March, 2018	321.06	293.16	1,456.39	3.98	12.23	1.53	2,088.35
Note							
<p># The Company has legally valid, clear & marketable title over the freehold land & buildings amounting ₹ 318.12 crore and ₹ 3.24 crore respectively, vested in the company pursuant to the composite scheme of arrangement. 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.</p>							

3. GOODWILL AND INTANGIBLE ASSETS

(₹ in Crore)			
	* Software	Goodwill	Total
GROSS CARRYING AMOUNT			
As at 1st April, 2016	2.16	10.34	12.50
Additions	-	-	-
Disposals/adjustments	-	-	-
As at 31st March, 2017	2.16	10.34	12.50
Additions	2.37	-	2.37
Disposals/adjustments	-	-	-
As at 31st March, 2018	4.53	10.34	14.87
ACCUMULATED AMORTIZATION			
As at 1st April, 2016	0.14	-	0.14
Charge for the period	0.43	-	0.43
Relating to disposals/adjustments	-	-	-
As at 31st March, 2017	0.57	-	0.57
Charge for the period	0.67	-	0.67
Relating to disposals/adjustments	-	-	-
As at 31st March, 2018	1.24	-	1.24
NET CARRYING AMOUNT			
As at 31st March, 2017	1.59	10.34	11.93
As at 31st March, 2018	3.29	10.34	13.63
* Amortised in 5 years			

(₹ in Crore)							
		As at 31.03.2018			As at 31.03.2017		
		Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
4	INVESTMENTS						
	NON - CURRENT INVESTMENTS						
	LONG TERM INVESTMENTS - AT COST LESS PROVISION						
A	Equity shares fully paid up of subsidiary company - trade unquoted - at cost						
	Jindal Stainless Steelway Limited @	14,061,667	10	25.81	14,061,667	10	25.81
	JSL Lifestyle Limited @	20,911,676	10	24.61	20,911,676	10	24.61
	Green Delhi BQS Limited @	51,000	10	0.05	51,000	10	0.05
	JSL Media Limited	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
	TOTAL (A)			50.57			50.57
B	Equity shares fully paid up of associate company - at cost						
	Jindal Stainless Corporate Management Services Pvt. Limited-Unquoted	5,000	10	0.01	5,000	10	0.01
	Jindal Stainless Limited-Quoted #	168,284,309	2	366.19	168,284,309	2	366.19
	TOTAL (B)			366.20			366.20
C	Govt./Semi Govt. securities - non trade - fair value						
	National Savings Certificate [₹11,500 (₹10,000)]*			0.00			0.00
	TOTAL (C)			0.00			0.00
	TOTAL - NON CURRENT INVESTMENT (A+B+C)			416.77			416.77
	Total non current investments			416.77			416.77
	Aggregate amount of quoted investments			366.19			366.19
	Aggregate market value of quoted investments			1,321.87			1,198.18
	Aggregate amount of unquoted investments			50.58			50.58
<p>@Undertaking for non disposing of Investment by way of Letter of Comfort given to banks against credit facilities/financial assistance availed by subsidiaries.</p> <p>#Pledge of 7,84,15,662 (Nil) shares in favour of lenders of Jindal Stainless Limited. (Read with Note no 38(iv))</p> <p>* Lodged with Government authorities as security.</p>							

			(₹ in Crore)		
		As at 31.03.2018	As at 31.03.2017		
5	NON CURRENT LOAN (Unsecured, Considered good unless otherwise stated) (refer Note no 40(b)) Loans to related parties TOTAL - NON CURRENT LOANS	 934.86	 519.86		
			(₹ in Crore)		
		As at 31.03.2018	As at 31.03.2017		
6	OTHER NON CURRENT FINANCIAL ASSETS Security deposits [Net of provision of ₹ 0.54 crore (₹ 0.54 crore)] Interest receivable from related party Bank deposit with remaining maturity of more than 12 months * TOTAL - OTHER NON CURRENT FINANCIAL ASSETS	 25.90 - 0.05 25.95	 25.73 21.43 - 47.16		
* under lien with Govt authorities					
			(₹ in Crore)		
		As at 31.03.2018	As at 31.03.2017		
7	OTHER NON CURRENT ASSETS Capital advances TOTAL - OTHER NON CURRENT ASSETS	 18.31 18.31	 8.67 8.67		
			(₹ in Crore)		
		As at 31.03.2018	As at 31.03.2017		
8	INVENTORIES (valued at lower of cost and net realizable value unless otherwise stated) Raw materials [Including material in transit ₹ 253.74 crore (₹ 265.10 crore)] Work in progress Finished goods Store and spares [Including material in transit ₹ 7.17 crore (₹ 8.87 crore)] Scrap (at estimated realizable value) TOTAL - INVENTORIES	 546.08 428.34 370.47 114.96 9.87 1,469.72	 526.52 338.37 556.33 92.91 25.74 1,539.87		
			(₹ in Crore)		
		As at 31.03.2018	As at 31.03.2017		
9	TRADE RECEIVABLES Unsecured Considered good * Doubtful Less : Provision for doubtful receivable TOTAL - TRADE RECEIVABLE	 863.49 2.94 (2.94) 863.49	 1,088.54 1.42 (1.42) 1,088.54		
* The above includes trade receivables of ₹ 27.64 Crore (₹ 60.08 Crore) due for more than 180 days.					

(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
10	CASH AND CASH EQUIVALENTS		
	Balances with banks	6.18	2.84
	Cheques in hand/money in transit	0.04	4.05
	Cash in hand	0.07	0.10
	Puja and silver coins [₹ 14,585 (₹ 13,039)]	0.00	0.00
	TOTAL - CASH AND CASH EQUIVALENTS	6.29	6.99
(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
11	OTHER BANK BALANCES		
	Bank deposits with original maturity of more than three months but less than 12 months *	0.95	1.04
	TOTAL - OTHER BANKS BALANCES	0.95	1.04
* under lien with banks / Govt authorities			
(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
12	OTHER CURRENT FINANCIAL ASSETS		
	Interest receivable	0.57	0.58
	Security deposits	4.42	6.95
	Other receivables *	31.00	66.09
	TOTAL - OTHER CURRENT FINANCIAL ASSETS	35.99	73.62
* Includes export incentives etc.			
(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
13	OTHER CURRENT ASSETS		
	Advances to vendors \$	49.08	76.04
	Advances to related parties #	145.53	207.52
	Advance to employees	0.27	0.15
	Balance with indirect tax authorities	42.47	43.36
	Unbilled revenues	0.01	0.05
	Other receivables *	8.83	7.07
	TOTAL - OTHER CURRENT ASSETS	246.19	334.19
\$ includes ₹ 30.00 crore (₹ Nil) to Jindal Stainless Limited.			
# includes ₹ 141.41 crore (₹ 204.57 crore) receivable from Jindal Stainless Limited on current account.			
* includes prepaid expenses etc.			

(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
14	SHARE CAPITAL		
	AUTHORISED		
	240,000,000 (240,000,000) equity shares of ₹ 2/- each	48.00	48.00
	10,000,000 (10,000,000) preference shares of ₹ 2/- each	2.00	2.00
		50.00	50.00
	ISSUED, SUBSCRIBED AND PAID UP		
	235,934,685 (235,934,685) equity shares of ₹ 2/- each	47.19	47.19
	TOTAL - SHARE CAPITAL	47.19	47.19
(a)	RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR	EQUITY SHARES	
		31.03.2018	31.03.2017
		No. of Shares	No. of Shares
	Shares outstanding at the beginning of the year	235,934,685	231,185,445
	Add : Equity shares issued during the year (face value of ₹ 2/- each) (refer note no 37)	-	4,749,240
	Shares outstanding at the end of the year	235,934,685	235,934,685
(b)	TERMS/RIGHTS ATTACHED TO EQUITY SHARES		
	<p>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.</p> <p>As on 31st March 2018, 7,552,167 GDSs (8,802,167 GDSs) with 15,104,334 underlying equity shares (17,604,334 equity shares) were outstanding. Each GDS represents 2 underlying equity shares of the Company.</p>		
(c)	EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:		
	NAME OF THE SHAREHOLDER	As at 31.03.2018	As at 31.03.2017
	JSL Overseas Holding Limited	No. of Shares 30,200,000	27,700,000
		% holding 12.80%	11.74%
	JSL Overseas Limited	No. of Shares 26,560,440	26,560,440
		% holding 11.26%	11.26%
	ELM Park Fund Limited	No. of Shares 19,432,160	13,107,160
		% holding 8.24%	5.56%
(d)	No bonus, buy back, issue of share other than in cash in last 5 years except pursuant to composite scheme of arrangement.		

15 OTHER EQUITY

(₹ in Crore)						
Particulars	Equity 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)	
Balance as at 1st April, 2016	25.00	0.05	538.89	37.01	(0.90)	600.05
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)
Balance as at 31st March, 2017	-	0.05	562.94	255.03	(3.15)	814.87
Profit for the year 2017-18				395.70		395.70
Re-measurements of the net defined benefit Plans					(1.75)	(1.75)
Balance as at 31st March, 2018	-	0.05	562.94	650.73	(4.90)	1,208.82
# 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. 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)					
		As at 31.03.2018		As at 31.03.2017	
		Non-current	Current	Non-current	Current
16	BORROWINGS				
	SECURED				
	TERM LOANS FROM BANKS				
	Rupee term loans	2,206.32	150.13	2,401.51	146.13
	Less : Amount disclosed under the head other current liabilities		150.13		146.13
	TOTAL - BORROWINGS	2,206.32	-	2,401.51	-
Secured Borrowings					
<p>The term loan facility from banks amounting to ₹ 2,356.45 Crore (₹ 2,547.64 Crore) are repayable in quarterly instalments of ₹ 48.75 Crore each during 2018-19 (instalment due on 1st April, 2018 has been paid during the month of March 2018 to the extent of ₹ 44.87 Crore) ₹ 58.50 Crore each during 2019-20, ₹ 65.00 Crore each during 2020-21, ₹ 71.50 Crore each from 2021-22 to 2026-27 (the excess amount paid of ₹ 1.08 Crore will be adjusted in last instalment).</p> <p>The term loan facility 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 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. The stated term loan facility are further secured by a first ranking pari-passu charge by way of hypothecation or assignment in relation to loans and advances advanced by the Company to JSL. (read with Note no. 38)</p> <p>Rupee term loan facility carried 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/ MCLR and adjust the spread accordingly.</p>					
(₹ in Crore)					
			As at 31.03.2018	As at 31.03.2017	
17	LONG TERM PROVISIONS				
	For employee benefits		14.91	8.88	
	TOTAL - LONG TERM PROVISIONS		14.91	8.88	
(₹ in Crore)					
			As at 31.03.2018	As at 31.03.2017	
18	DEFERRED TAX LIABILITY (NET)				
(a)	DEFERRED TAX LIABILITY				
	Difference between book & tax depreciable assets		110.42	112.01	
	Other temporary differences		4.58	4.65	
	Total deferred tax liability		115.00	116.66	
(b)	DEFERRED TAX ASSETS				
	Disallowance under Income Tax Act		33.46	31.32	
	Total deferred tax assets		33.46	31.32	
	MAT Credit Entitlement		-	48.01	
	NET DEFERRED TAX LIABILITY		81.54	37.33	

(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
19	CURRENT BORROWINGS		
	SECURED		
	Working capital facilities from banks	246.49	437.34
	Buyer credit - against working capital	195.90	404.75
	TOTAL -CURRENT BORROWINGS	442.39	842.09

Secured Borrowings

Working capital facilities (including Buyer's Credit facilities) are secured 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. (read with Note no. 38)

(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
20	TRADE PAYABLES		
	Micro and small enterprises	4.04	2.66
	Trade payables (including acceptances)	1,481.55	1,477.90
	TOTAL TRADE PAYABLES	1,485.59	1,480.56

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)			
		As at 31.03.2018	As at 31.03.2017
	Principal amount due outstanding	-	-
	Interest due on above due outstanding 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)			
		As at 31.03.2018	As at 31.03.2017
21	OTHER CURRENT FINANCIAL LIABILITIES		
	Current maturities of non-current borrowings	150.13	146.13
	Interest accrued	6.39	6.19
	Capital payables	23.37	29.79
	Security deposits	2.46	2.64
	Derivative financial liabilities	2.55	0.39
	Dues to employees	23.57	13.43
	Other outstanding financial liabilities *	201.97	145.64
	TOTAL - OTHER CURRENT FINANCIAL LIABILITIES	410.44	344.21
* Includes provision for expenses			

(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
22	OTHER CURRENT LIABILITIES		
	Advance from customers	32.34	44.11
	Other outstanding liabilities *	207.39	248.50
	TOTAL - OTHER CURRENT LIABILITIES	239.73	292.61
* Includes statutory dues, provision for excise duty on closing stock, arbitration liability etc.			
(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
23	CURRENT PROVISIONS		
	For employee benefits	2.20	10.54
	TOTAL - CURRENT PROVISIONS	2.20	10.54
(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
24	CURRENT TAX LIABILITIES (NET)		
	Current tax liabilities [net of prepaid tax of ₹ 195.96 Crore (₹ 42.89 Crore)]	44.45	31.23
	TOTAL - CURRENT TAX LIABILITIES (NET)	44.45	31.23
(₹ in Crore)			
		For the year ended 31.03.2018	For the year ended 31.03.2017
25	REVENUE FROM OPERATIONS		
(a)	SALE OF PRODUCTS		
	Finished goods [net of discounts ₹ 99.49 Crore (₹ 69.84 Crore)]	8,815.86	7,382.39
	Semi - finished goods	6.58	1.60
	Trading goods	538.48	80.53
	Export benefits	48.24	48.89
		9,409.16	7,513.41
(b)	SALE OF SERVICES		
	Job charges received	-	17.12
		-	17.12
(c)	OTHER OPERATING REVENUE		
	Sale of gases / slag	14.00	11.11
	Lease rent / operating & maintenance services	12.47	11.24
	Provision for doubtful debts/advance reversed	-	9.50
	Miscellaneous income	14.60	13.17
		41.07	45.02
	TOTAL - REVENUE FROM OPERATIONS	9,450.23	7,575.55

		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
26	OTHER INCOME		
(a)	INTEREST INCOME ON		
	Loans & advances [net of written off ₹ 2.40 Crore (₹ Nil)]	107.06	50.47
	Trade receivables	2.80	5.45
		109.86	55.92
(b)	OTHER NON-OPERATING INCOME (NET)	2.34	4.78
	TOTAL - OTHER INCOME	112.20	60.70
		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
27	COST OF MATERIAL CONSUMED		
	Raw material consumed	5,544.47	4,412.34
	TOTAL - COST OF MATERIAL CONSUMED	5,544.47	4,412.34
		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
28	PURCHASE OF TRADING GOODS		
	Steel scrap	537.31	81.24
	TOTAL - PURCHASE OF TRADING GOODS	537.31	81.24
		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
29	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS		
	OPENING STOCK		
	Finished goods	556.33	390.90
	Work in progress	338.37	294.80
	Scrap	25.74	21.59
	Trading goods	-	0.35
	TOTAL OPENING STOCK	920.44	707.64
	CLOSING STOCK		
	Finished goods	370.47	556.33
	Work in progress	428.34	338.37
	Scrap	9.87	25.74
	TOTAL CLOSING STOCK	808.68	920.44
	Excise duty on account of increase/(decrease) in stock of finished products	(53.38)	9.82
	TOTAL - CHANGES IN INVENTORIES	58.38	(202.98)

(₹ in Crore)			
		For the year ended 31.03.2018	For the year ended 31.03.2017
30	EMPLOYEE BENEFITS EXPENSES (read with Note no. 51)		
	Salaries, wages, bonus and other benefits	153.48	130.62
	Contribution to provident and other funds	8.30	6.81
	Staff welfare expenses	8.15	7.18
	TOTAL - EMPLOYEE BENEFITS EXPENSES	169.93	144.61
(₹ in Crore)			
		For the year ended 31.03.2018	For the year ended 31.03.2017
31	FINANCE COSTS		
	Interest expenses	371.62	387.63
	Other borrowing costs	23.83	24.30
	TOTAL - FINANCE COSTS	395.45	411.93
(₹ in Crore)			
		For the year ended 31.03.2018	For the year ended 31.03.2017
32	DEPRECIATION AND AMORTIZATION EXPENSES		
	Depreciation on property, plant and equipment	265.93	264.81
	Amortization of intangible assets	0.67	0.43
	TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES	266.60	265.24

		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
33	OTHER EXPENSES		
(a)	MANUFACTURING EXPENSES		
	Consumption of stores and spares	483.71	424.73
	Power and fuel	797.29	626.82
	Labour processing & transportation charges	102.20	71.14
	Repairs to buildings	3.41	1.60
	Repairs to plant & machinery	22.73	19.74
	Job work expenses	148.20	146.46
	Other manufacturing expenses	11.95	12.57
		1,569.49	1,303.06
(b)	ADMINISTRATIVE EXPENSES		
	Insurance	8.56	7.69
	Rent	2.06	1.94
	Rates and taxes	0.68	0.52
	Legal and professional	45.62	36.03
	Postage, telegram, telex and telephone	1.77	1.71
	Printing & stationary	3.50	3.15
	Travelling & conveyance	3.71	2.59
	Managerial commission	25.52	13.42
	Director' meeting fees	0.19	0.13
	Vehicle upkeep and maintenance	6.22	4.59
	Auditor's remuneration	0.41	0.38
	Donation	0.68	0.58
	Loss (net) on sale/discard of property, plant and equipment	0.31	1.62
	Miscellaneous expenses	11.89	6.17
		111.12	80.52
(c)	SELLING EXPENSES		
	Freight & forwarding expenses	88.89	85.78
	Commission on sales	28.05	24.75
	Other selling expenses	6.02	6.12
	Provision for doubtful debts / advances	1.52	3.04
	Bad debts	2.85	26.68
	Advertisement & publicity	1.15	0.35
		128.48	146.72
	TOTAL - OTHER EXPENSES	1,809.09	1,530.30
	NET (GAIN)/LOSS ON SALE OF PROPERTY, PLANT AND EQUIPMENT INCLUDES:		
	Gain on sale	(0.16)	(0.03)
	Loss on sale	0.21	0.02
	Loss on discard	0.26	1.63
		0.31	1.62

34.

		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
A	Contingent liabilities not provided for in respect of :		
	i) Sale tax demands against which Company preferred appeals.	0.03	0.03
	ii) Excise duty/custom/service tax/cess/royalty show cause notices/ demands against which Company has preferred appeals.	66.27	75.83
	iii) Claims and other liabilities against the Company not acknowledged as debt.	45.15	47.93
B	Guarantee given to custom authorities for import under EPCG Scheme. {Custom duty saved as on 31st March, 2018 ₹ Nil (₹ 5.80 Crore)}	-	33.81
C	i) Letter of comfort to banks against credit facilities/ financial assistance availed by subsidiaries.	111.81	103.41
	ii) Corporate guarantee given to financial institution against financial assistance availed by a subsidiary.	15.63	-
	iii) Guarantees given by the Company's bankers on behalf of the subsidiary.	44.73	5.60
D	Corporate guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless Limited.	2,691.06	5,194.27

35. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ **73.24 Crores** (₹ 57.72 Crores).

36. (a) Exceptional items includes gain/ (loss) (net) of ₹ **30.13 Crore** (₹ 45.27 Crore) on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of (₹ **2.16 Crore**) (₹ 3.54 Crore) upon marked to market of derivatives contracts (net), gain/(loss) of (₹ **9.53 Crore**) (₹1.56 Crore) on forward cover cancellation.

(b) Exceptional items includes ₹ **Nil** (₹ 10.26 Crore) on account of write off of interest receivable up to 31st March 2016 on loans to two subsidiary companies.

(c) Exceptional items includes ₹ **Nil** (₹ 18.98 Crore) 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 previous 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 fund had 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 also be secured by the following additional securities:

- (i) Unconditional & irrevocable personal guarantee of Mr. Ratan Jindal;
- (ii) Unconditional & irrevocable corporate guarantee of Jindal Stainless Limited (JSL);
- (iii) 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);
- (iv) Pledge of 8,98,68,647 shares of JSL (out of 16,82,84,309 shares) held by the Company in favour of lenders of the Company. Balance 7,84,15,662 no. shares have been pledged in favour of Lenders of JSL;
- (v) Pledge over investments of the Company in subsidiaries as listed below:
 - JSL Lifestyle Limited; and
 - JSL Logistics Limited

39. Research and Development expenses for the year amounting to ₹ 7.92 Crore (₹ 4.21 Crore) on account of revenue expenditure charged/debited to respective heads of accounts and ₹ Nil (₹ 0.05 Crore) on account of capital expenditure debited to property, plant and equipment.
40. (a) Advances recoverable in cash or in kind or for value to be received includes Interest free loan to employees amounting to ₹ 0.02 Crore (₹ 0.01 Crore) in the ordinary course of business and as per employee service rules with the Company. Maximum balance outstanding during the year is ₹ 0.02 Crore (₹ 0.01 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 31.03.2018	As at 31.03.2017	For the year ended 31.03.2018	For the year ended 31.03.2017
JSL Lifestyle Limited	12.26	12.26	12.26	12.26
Green Delhi BQS Limited	21.39	21.39	21.39	30.57
JSL Media Limited	1.21	1.21	1.21	2.29
Jindal Stainless Limited #	900.00	485.00	900.00	485.00

For the purpose of cash flow support including interest till 31st March 2018.

- (c) Details of Loans given, investment made and guarantees given, covered U/S 186 (4) of the Companies Act ,2013: -
- (i) Loans given and investment made are given under respective heads.
 - (ii) Corporate guarantee given by the Company on behalf of parties covered u/s 186(4), details of which is given in related party transactions. Refer note no 34 C (ii), 34 D and note no 38 & 50.

41. (a) Certain balances of trade receivable, loan & advance, trade payable and other liabilities are subject to confirmation and/or reconciliation.

(b) Pursuant to scheme of arrangement, necessary steps and formalities in respect of transfer of and vesting in the properties, licenses, approvals and investments in favor of the company are under implementation.

(c) The Company has given inter corporate deposits to its two subsidiaries namely Green Delhi BQS Limited & JSL Media Limited, amounting to ₹ 22.60 Crore (₹ 22.60 Crore) {also investment of ₹ 0.10 Crore (₹ 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 have been referred to a larger 9 judges Constitutional Bench of the Supreme Court of India. The 9 judge 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 division bench of Hon'ble Supreme Court vide its order dated 21/03/2017 declared on 20/05/2017 permitted the petitioners to file petition before respective High Court in this regard for any factual background or any other constitutional/ statutory issue. The company accordingly filed Civil Writ Petition before Hon'ble High Court of Punjab & Haryana on 30/05/2017, which has granted the stay till further direction.

In the meanwhile, the division bench of Hon'ble Supreme Court of India vide its order dated 09/10/2017 has upheld the legislative competence of the State Legislatures to levy Entry Tax on Import of goods from any Territory outside the India while examining the Entry Tax legislations of the State of Odisha, Kerala and Bihar.

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.

43. Amount required to be spent towards Corporate Social Responsibility as per the provisions of section 135 of Companies Act, 2013 by the Company during the year is ₹ 2.45 Crore (₹ 0.21 Crore) and details of amount spent towards Corporate Social Responsibility is as under :

(₹ in Crore)

	For the year ended 31.03.2018	For the year ended 31.03.2017
Promoting education & enhancing vocational skills	0.67	0.47
Promoting gender equality & empowering women	0.37	0.06
Ensuring environment sustainability & ecological balance	0.07	0.03
Promoting preventive health care	0.25	0.01
Rural development programme	1.06	0.08
Administration expenditure	0.09	0.02
Total	2.51	0.67

44. **Financial risk management**

44.1 **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, 2018 and March 31, 2017.

(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 receivables, trade payables, loans, 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, 2018 for hedging currency risks:

As at

31st March 2018

Nature of derivatives	Type	No. of contracts	Foreign currency (Million)	Amount (₹ in Crore)
Forward covers				
USD/INR	Sale	37	55.020	358.57
EURO/USD	Sale	27	32.016	257.07
USD/INR	Buy	103	66.329	432.33

As at

31st March 2017

Nature of derivatives	Type	No. of contracts	Foreign currency (Million)	Amount (₹ in Crore)
Forward covers				
USD/INR	Sale	27	18.363	119.09
EURO/USD	Sale	37	32.374	223.72
USD/INR	Buy	186	84.017	544.81

Note: INR equivalent values have been calculated at the year end exchange rates in INR to give an indicative value of the contracts in Indian 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, 2018 is as under:

Nature	As at 31.03.2018		As at 31.03.2017	
	Foreign Currency (Millions)	Amount (₹ in Crore)	Foreign Currency (Millions)	Amount (₹ in Crore)
Account receivables				
USD	-	-	7.280	47.21
JPY	2.751	0.17	-	-
CAD	0.004	0.02	-	-
CHF	0.095	0.65	-	-
Account payables				
USD	40.841	266.20	38.642	250.58
EURO	1.164	9.35	0.854	5.90
GBP	0.447	4.08	-	-
CAD	-	-	0.024	0.12
Loans				
USD	20.303	132.34	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 (Un hedged)

(₹ in Crore)

	Change in currency exchange rate	31.03.2018 Effect on profit/ (loss) before tax	31.03.2017 Effect on profit/ (loss) before tax
USD	+5%	(19.93)	(15.05)
	-5%	19.93	15.05
EURO	+5%	(0.47)	(0.29)
	-5%	0.47	0.29
CAD	+5%	(0.00)	(0.01)
	-5%	0.00	0.01
GBP	+5%	(0.20)	-
	-5%	0.20	-
JPY	+5%	(0.01)	-
	-5%	0.01	-
CHF	+5%	(0.03)	-
	-5%	0.03	-

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)		
	For the year ended 31.03.2018	For the year ended 31.03.2017
Currency Fluctuations		
Net foreign exchange (gain) / losses shown as exceptional item	(18.44)	(47.25)
TOTAL	(18.44)	(47.25)

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.

(₹ in Crore)			
	Increase /decrease in basis points	Effect on profit/ (loss) before tax	
		31.03.2018	31.03.2017
INR borrowings	+50	(12.34)	(14.44)
	-50	12.34	14.44
USD borrowings	+50	(1.64)	(2.51)
	-50	1.64	2.51

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.

**As at
31st March 2018**

(₹ in Crore)

	Carrying amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	2,798.84	592.52	494.00	1,712.32	2,798.84
Other financial liabilities	260.31	-	-	-	260.31
Trade payables	1,485.59	-	-	-	1,485.59
Total	4,544.74	592.52	494.00	1,712.32	4,544.74

* Including current maturity.

**As at
31st March 2017**

(₹ in Crore)

	Carrying amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	3,389.73	988.22	429.00	1,972.51	3,389.73
Other financial liabilities	198.08	198.08	-	-	198.08
Trade payables	1,480.56	1,480.56	-	-	1,480.56
Total	5,068.37	2,666.86	429.00	1,972.51	5,068.37

* Including current maturity.

Unused lines of credit**(₹ in Crore)**

	As at 31.03.2018	As at 31.03.2017
Secured	215.63	113.45
Unsecured	-	-
Total	215.63	113.45

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
31st March 2018**

	Total borrowings (₹ in Crore)	Floating rate borrowings (₹ in Crore)	Fixed rate borrowings (₹ in Crore)	Weighted average interest rate (%)
INR	2,470.60	2,470.60	-	10.53%
USD	328.24	328.24	-	2.79%
Total	2,798.84	2,798.84	-	

**For the year ended
31st March 2017**

	Total borrowings (₹ in Crore)	Floating rate borrowings (₹ in Crore)	Fixed rate borrowings (₹ in Crore)	Weighted average interest rate (%)
INR	2,887.40	2,887.40	-	11.02%
USD	502.33	502.33	-	1.96%
Total	3,389.73	3,389.73	-	

44.2 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.

44.3 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)	
	As at 31.03.2018	As at 31.03.2017
Loans and borrowings	2,798.84	3,389.73
Less: Cash and cash equivalents	6.29	6.99
Net debt	2,805.13	3,382.74
Total capital	1,256.01	862.06
Capital and net debt	4,061.14	4,244.80
Gearing ratio	69%	80%

45. 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: -

	Note	Level	As at 31.03.2018 (₹ in Crore)	As at 31.03.2017 (₹ in Crore)	Valuation techniques and key inputs
Financial assets /liabilities at fair value through amortised cost:					
(a) Financial assets					
Loans	5	3	934.86	519.86	Discounted cash flows
Other financial assets	6 & 12	3	61.94	120.78	Discounted cash flows
(b) Financial liabilities					
Borrowings - non current	16	3	2,206.32	2,401.51	Discounted cash flows
Borrowings - current	19	3	442.39	842.09	Discounted cash flows
Other financial liabilities	21	3	407.89	343.82	Discounted cash flows
Financial liabilities at fair value through statement of profit or loss:					
Derivative Forward Contract	21	2	2.55	0.39	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 2017-18.

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. Fair value of said guarantees as at March 31, 2018, and March 31, 2017 have been considered at nil as estimated by the management and an independent professional.

46. Operating lease

The Company has taken land and building under operating lease arrangement which is non-cancellable for a fixed period of 29 years. The lease rental expense is subject to escalation whereby the lessor is entitled to increase the lease rental by 5% after every three years.

The Company has taken another land and building under operating lease arrangement for a fixed period of 12 years. The lease rental expense is subject to escalation whereby the lessor is entitled to increase the lease rental by 5% every year and are usually renewable by mutual agreeable terms.

The schedule of future minimum lease rental payments in respect of non-cancellable operating leases is set out below:

	Minimum lease payments (₹ in Crores)	
	As at 31.03.2018	As at 31.03.2017
Not later than one year	0.23	0.22
Later than one year but not later than five years	0.96	0.94
Later than five years	4.81	5.06

Rental expense recognised under such leases during the current year are ₹ 0.22 Crores (₹ 0.22 Crores)

47. Information related to consolidated financials

The Company is listed on stock exchange in India, the Company has prepared consolidated financial statement 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.

48. Income tax reconciliation

Tax expenses		(₹ in Crore)	
	For the year ended 31.03.2018	For the year ended 31.03.2017	
Current tax	167.21	69.77	
Deferred tax	45.48	38.06	
Income tax change/(credit) for earlier years	(0.31)	-	
Total	212.38	107.83	

Effective tax reconciliation:

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

		(₹ in Crore)	
	For the year ended 31.03.2018	For the year ended 31.03.2017	
Net income / (loss) before taxes	608.08	325.85	
Enacted tax rates	34.608%	34.608%	
Computed tax (income)/expense	210.44	112.77	
Increase/(reduction) in taxes on account of:			
Additional allowance for tax purpose	(1.29)	(7.25)	
Expenses not allowed for tax purpose	3.72	2.31	
Effect of change in tax rate	(0.80)	-	
Deferred tax recognized for earlier years	1.27	-	
Current tax recognized for earlier years	(0.96)	-	
Income tax expense reported	212.38	107.83	

49. Segment reporting

As per IND AS 108 Operating Segment, segment information has been provided in notes to consolidated financial statements.

A List of related parties & relationship (as identified by the Management)

		Country of Incorporation	Ownership Interest	
			31 st March 2018	31 st March 2017
a)	Subsidiary companies			
1	Jindal Stainless Steelway Limited	INDIA	81.91%	81.91%
2	JSL Lifestyle Limited	INDIA	73.37%	73.37%
3	Green Delhi BQS Limited	INDIA	51.00%	51.00%
4	JSL Media Limited	INDIA	99.94%	99.94%
5	JSL Logistics Limited	INDIA	100.00%	100.00%
b)	Associates			
1	Jindal Stainless Corporate Management Services Pvt. Ltd.	INDIA	50.00%	50.00%
2	Jindal Stainless Limited (w.e.f. 03.07.2016)	INDIA	35.12%	42.13%
c)	Subsidiaries, associates and joint ventures of parties listed in a & b above with whom transactions have taken place during the current and previous year			
1	J S S Steel Italia Limited	INDIA		
2	Jindal Stainless UK Ltd. (w.e.f. 03.07.2016)	UK		
3	Jindal Stainless FZE (w.e.f. 03.07.2016)	UAE		
4	PT Jindal Stainless Indonesia (w.e.f. 03.07.2016)	Indonesia		
5	Iberjindal S.I. (w.e.f. 03.07.2016)	Spain		
6	Jindal Coke Limited (w.e.f. 03.07.2016)	INDIA		
7	Jindal United Steel Limited (w.e.f. 03.07.2016)	INDIA		
d)	Trusts			
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			
e)	Key Management Personnel with whom transactions have taken place during the current and previous year			
1	Mr. Ratan Jindal	Chairman		
2	Mr. Abhyuday Jindal	Vice Chairman		
3	Mr. Ashok Kumar Gupta	Whole Time Director and Manager		
4	Mr. Jagmohan Sood	COO & Unit Head, Hisar Plant		
5	Mr. Ankur Agrawal	Chief Financial Officer		
6	Mr. Bhartendu Harit	Company Secretary		

B Transactions:

(₹ in Crore)						
Description	For the year ended 31.03.2018			For the year ended 31.03.2017		
	Subsidiary (a)	Associates & Other Parties (b,c & d)	Key Management Personnels (e)	Subsidiary (a)	Associates & Other Parties (b,c & d)	Key Management Personnels (e)
Purchase of goods	99.74	1,319.89	-	40.56	557.74	-
Jindal Stainless Steelway Limited	80.48	-	-	29.17	-	-
JSL Lifestyle Limited	19.26	-	-	11.39	-	-
PT. Jindal Stainless Indonesia	-	24.77	-	-	11.87	-
J S S Steel Italia Limited	-	0.30	-	-	0.87	-
Jindal Stainless Limited	-	1,162.18	-	-	545.00	-
Jindal United Steel Limited	-	121.18	-	-	-	-
Jindal Coke Limited	-	11.45	-	-	-	-
Sale of goods	694.94	1,067.38	-	623.13	478.12	-
Jindal Stainless Steelway Limited	517.73	-	-	543.09	-	-
JSL Lifestyle Limited	177.21	-	-	80.04	-	-
PT. Jindal Stainless Indonesia	-	39.65	-	-	115.98	-
J S S Steel Italia Limited	-	12.54	-	-	18.76	-
Iberjindal S.I.	-	158.33	-	-	83.83	-
Jindal Stainless Limited	-	856.86	-	-	259.55	-
Job charges received	0.06	0.15	-	-	9.20	-
Jindal Stainless Steelway Limited	0.06	-	-	-	-	-
Jindal Stainless Limited	-	0.15	-	-	9.20	-
Job work charges paid	16.12	44.01	-	11.32	77.07	-
Jindal Stainless Steelway Limited	16.01	-	-	10.93	-	-
JSL Lifestyle Limited	0.11	-	-	-	-	-
Jindal Stainless Limited	-	43.96	-	-	77.07	-
Others	-	0.05	-	0.39	-	-
Commission on sale paid	-	7.82	-	-	1.70	-
Jindal Stainless FZE, Dubai	-	7.63	-	-	1.47	-
Jindal Stainless UK Ltd.	-	0.19	-	-	0.23	-
Receiving of services (remuneration paid)	-	-	30.53	-	-	17.76
Mr. Ratan Jindal (Commission)	-	-	15.95	-	-	13.42
Mr. Abhyuday Jindal (Commission)	-	-	9.57	-	-	-
Mr. Ashok Kumar Gupta	-	-	2.79	-	-	2.53
Mr. Jagmohan Sood	-	-	1.17	-	-	0.95
Mr. Ankur Agrawal	-	-	0.76	-	-	0.64
Mr. Bhartendu Harit	-	-	0.30	-	-	0.22
Rent received	2.00	0.95	-	1.22	0.52	-
Jindal Stainless Steelway Limited	1.32	-	-	1.22	-	-
JSL Lifestyle Limited	0.68	-	-	-	-	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	0.19	-	-	-	-
Jindal Stainless Limited	-	0.75	-	-	0.52	-

(₹ in Crore)						
Description	For the year ended 31.03.2018			For the year ended 31.03.2017		
	Subsidiary (a)	Associates & Other Parties (b,c & d)	Key Management Personnels (e)	Subsidiary (a)	Associates & Other Parties (b,c & d)	Key Management Personnels (e)
Rent paid	0.08	0.56	-	0.07	0.50	-
Jindal Stainless Steelway Limited	0.08	-	-	0.07	-	-
Jindal Stainless Limited	-	0.56	-	-	0.50	-
Interest income	3.69	103.90	-	1.29	43.70	-
JSL Lifestyle Limited	1.29	-	-	1.29	-	-
Green Delhi BQS Limited *	2.25	-	-	-	-	-
Jindal Stainless Limited	-	103.90	-	-	43.70	-
JSL Media Limited *	0.15	-	-	-	-	-
Inter-corporate loan write-off	-	-	-	10.26	-	-
Green Delhi BQS Limited	-	-	-	9.18	-	-
JSL Media Limited	-	-	-	1.08	-	-
Quality claim paid	7.85	-	-	-	-	-
Jindal Stainless Steelway Limited	1.65	-	-	-	-	-
JSL Lifestyle Limited	6.20	-	-	-	-	-
Consultancy charges paid	-	35.91	-	-	28.05	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	35.91	-	-	28.05	-
Operating & maintenance services charged	10.23	-	-	11.01	-	-
Jindal Stainless Steelway Limited	10.23	-	-	11.01	-	-
Sharing of exp. reimbursed/to be reimbursed	0.07	0.20	-	0.00	2.18	-
Jindal Stainless Steelway Limited	-	-	-	0.00	-	-
JSL Lifestyle Limited	0.07	-	-	-	-	-
Jindal Stainless Limited	-	0.19	-	-	2.12	-
Others	-	0.01	-	-	0.06	-
Sharing of exp. recovered/to be recovered	0.64	1.02	-	-	0.64	-
JSL Lifestyle Limited	-	-	-	-	-	-
Jindal Stainless Steelway Limited	0.64	-	-	-	-	-
PT. Jindal Stainless Indonesia	-	-	-	-	0.16	-
Jindal Stainless Limited	-	0.95	-	-	0.42	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	0.07	-	-	0.06	-
Loans & advances given	-	415.00	-	-	292.34	-
Jindal Stainless Limited	-	415.00	-	-	292.34	-
Guarantee/ counter guarantee given	54.76	-	-	-	-	-
Jindal Stainless Steelway Limited	54.76	-	-	-	-	-

(₹ in Crore)						
Description	For the year ended 31.03.2018			For the year ended 31.03.2017		
	Subsidiary (a)	Associates & Other Parties (b,c & d)	Key Management Personnels (e)	Subsidiary (a)	Associates & Other Parties (b,c & d)	Key Management Personnels (e)
Contribution towards trusts	-	31.01	-	-	19.63	-
Jindal Stainless (Hisar) Limited Group Gratuity Fund	-	8.78	-	-	0.28	-
Jindal Stainless (Hisar) Limited (Ferro alloys) Group Gratuity Scheme	-	0.05	-	-	0.02	-
Jindal Stainless (Hisar) Limited EPF Trust	-	21.50	-	-	18.70	-
Jindal Stainless (Hisar) Welfare Fund	-	0.68	-	-	0.62	-
Outstanding balance						
Letter of comfort given	111.81	-	-	103.41	-	-
Jindal Stainless Steelway Limited	88.13	-	-	88.27	-	-
JSL Lifestyle Limited	23.68	-	-	15.14	-	-
Guarantee/ counter guarantee given	60.36	2,691.06	-	5.60	5,194.27	-
Jindal Stainless Steelway Limited	60.36	-	-	5.60	-	-
Jindal Stainless Limited	-	2,691.06	-	-	5,194.27	-
Loans & advances	38.98	900.00	-	37.81	711.00	-
JSL Media Limited	1.21	-	-	1.21	-	-
JSL Lifestyle Limited **	16.36	-	-	15.20	-	-
Green Delhi BQS Limited	21.40	-	-	21.39	-	-
Jindal Stainless Limited @	-	900.00	-	-	711.00	-
Advance against supplies/vendors	3.44	171.41	-	3.44	-	-
JSL Media Limited	3.44	-	-	3.44	-	-
Jindal Stainless Limited	-	171.41	-	-	-	-
Receivables	170.30	74.77	-	195.58	288.19	-
Jindal Stainless Steelway Limited	73.42	-	-	98.89	-	-
JSL Lifestyle Limited	96.88	-	-	96.70	-	-
J S S Steel Italia Limited	-	12.10	-	-	17.11	-
PT. Jindal Stainless Indonesia	-	8.00	-	-	91.08	-
Iberjindal S.I.	-	48.40	-	-	31.91	-
Jindal Stainless Limited	-	-	-	-	148.09	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	6.27	-	-	-	-
Others	0.01	-	-	-	-	-
Payables	4.86	9.19	-	12.09	6.18	-
Jindal Stainless Steelway Limited	0.42	-	-	6.10	-	-
JSL Lifestyle Limited	4.44	-	-	5.99	-	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	-	-	-	4.37	-
PT. Jindal Stainless Indonesia	-	1.38	-	-	-	-
Jindal Stainless FZE, Dubai	-	7.56	-	-	-	-
J S S Steel Italia Limited	-	0.24	-	-	-	-
Others	-	0.01	-	-	1.81	-

(₹ in Crore)						
Description	For the year ended 31.03.2018			For the year ended 31.03.2017		
	Subsidiary (a)	Associates & Other Parties (b,c & d)	Key Management Personnels (e)	Subsidiary (a)	Associates & Other Parties (b,c & d)	Key Management Personnels (e)
Remuneration payable	-	-	15.66	-	-	14.06
Mr. Ratan Jindal	-	-	9.50	-	-	13.42
Mr. Abhyuday Jindal	-	-	5.72	-	-	-
Mr. Ashok Kumar Gupta	-	-	0.25	-	-	0.45
Mr. Jagmohan Sood	-	-	0.09	-	-	0.09
Mr. Ankur Agrawal	-	-	0.07	-	-	0.07
Mr. Bhartendu Harit	-	-	0.03	-	-	0.02

Note :- Above to be read with note no. 34 (C) (ii) & 34 (D) and transactions with Jindal Stainless Limited are subject to the approval of the shareholders in the ensuing General Meeting.

* written off

** Includes loan of ₹ 12.26 Crore (₹ 12.26 Crore)

@Includes Inter corporate Deposits amounting to ₹ 900.00 Crore (₹ 485.00 Crore) including interest till 31st March 2018, 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 monthly basis from 1st April, 2018 onwards.

Compensation to key management personnel

(₹ In Crore)		
Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Short-term employee benefits*	30.53	17.76
Total Compensation to key management personnel	30.53	17.76

*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.

51 Retirement benefit obligations		
Expenses recognised for defined contribution plans (₹ in Crore)		
	For the year ended 31.03.2018	For the year ended 31.03.2017
Company's contribution to provident fund	3.30	3.07
Company's contribution to ESI	0.57	0.23
Company's contribution to NPS	0.28	0.18
Total	4.15	3.49
Expenses recognised for defined benefit plans (₹ in Crore)		
	For the year ended 31.03.2018	For the year ended 31.03.2017
Company's contribution to provident fund	3.38	2.85
Total	3.38	2.85
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, 2018 and 31st March, 2017, being the respective measurement dates.		
A. Change in defined benefit obligation (₹ in Crore)		
	Gratuity (Funded)	Leave Encashment (Unfunded)
Defined benefit obligation at 1st April, 2016	27.94	6.12
Service cost		
Current service cost	1.66	0.59
Interest expense	2.18	0.42
Cash flows		
Benefit payments from plan assets	(2.16)	(1.97)
Remeasurements		
a. Due to change in financial assumptions	2.73	0.44
b. Due to experience adjustments	0.72	2.28
Defined benefit obligation at 31st March, 2017	33.07	7.88
Service Cost		
Current service cost	2.18	-
Interest expense	2.20	-
Cash flows		
Benefit payments from plan assets	(3.31)	-
Remeasurements		
a. Due to change in financial assumptions	0.30	-
b. Due to experience adjustments	2.45	-
Defined benefit obligation at 31st March, 2018	36.89	7.88

B. Change in fair value of plan assets-gratuity (₹ in Crore)		
	As at 31 March 2018	As at 31 March 2017
Fair value of plan assets at end of prior period	21.52	21.48
Interest income	1.62	1.90
Cash flows		
a. Total employer contributions		
(i) Employer contributions	8.83	0.30
(ii) Employer direct benefit payments	-	-
b. Benefit payments from plan assets	(3.31)	(2.16)
c. Settlement cost	-	-
Remeasurements		
a. Return on assets (excluding interest income)	0.09	-
Fair value of plan assets at end of period	28.75	21.52
C. Recognized in statement of profit and loss (₹ in Crore)		
	Gratuity	Leave Encashment
Service cost		
Current service cost	1.66	0.59
Curtailement and settement cost/credit	-	-
Total service cost	1.66	0.59
Net interest cost		
a. Interest expense on DBO	2.18	0.42
b. Interest (income) on plan assets	(1.90)	-
Total net interest cost	0.28	0.42
Remeasurements of Other Long Term Benefits	-	2.72
For the year ended 31st March 2017	1.94	3.72
Service Cost		
Current service cost	2.18	0.70
Total service cost	2.18	0.70
Net interest cost		
a. Interest expense on DBO	2.06	0.47
b. Interest (income) on plan assets	(1.48)	-
Total net interest cost	0.58	0.47
Remeasurements of Other Long Term Benefits	-	2.31
For the year ended 31st March 2018	2.76	3.48

D. Recognized in other comprehensive income (OCI)		(₹ in Crore)	
		Gratuity	
a. Due to change in financial assumptions			2.73
b. Due to change in experience adjustments			0.72
For the year ended 31st March 2017			3.44
a. Due to change in financial assumptions			0.19
b. Due to change in experience adjustments			2.57
c. Return on assets (excluding interest income)			(0.09)
For the year ended 31st March 2018			2.67
E. Expected cash flows for following year		(₹ in Crore)	
Particulars	As at 31 March 2018	As at 31 March 2017	
Year 1	2.81	2.59	
Year 2	2.55	2.60	
Year 3	3.04	2.34	
Year 4	3.19	2.70	
Year 5	3.85	3.02	
Next 5 years	29.00	22.42	
F. Current and non-current liability for gratuity and leave encashment		(₹ in Crore)	
		Gratuity	Leave Encashment
As on 31st March, 2017			
Current liabilities	8.54		2.00
Non current liabilities	3.01		5.88
As on 31st March, 2018			
Current liabilities	0.00		2.20
Non current liabilities	8.14		6.77
G. Disaggregation of plan assets into classes			
<i>The weighted-average asset allocations at the period end were as follows:</i>			
		Unquoted	Unquoted
Insurance Company products		100%	100%

H. Actuarial assumptions		
	As at 31 March 2018	As at 31 March 2017
Discount rate	7.60% P.a.	6.90% P.a.
Salary increase rate	6.00% P.a.	5.25% P.a.
Rate of return on plan assets	7.60% P.a.	6.90% 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 31 March 2018	As at 31 March 2017
A. Discount Rate		
Discount Rate - 50 basis points Assumptions	38.50 7.10% P.a.	34.52 6.40% P.a.
Discount Rate + 50 basis points Assumptions	35.40 8.10% P.a.	31.71 7.40% P.a.
B. Salary increase rate		
Salary Rate - 50 basis points Assumptions	35.35 5.50% P.a.	31.61 4.75% P.a.
Salary Rate + 50 basis points Assumptions	38.60 6.50% P.a.	34.61 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, 2018 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		
	As at 31 March 2018	As at 31 March 2017
Discount rate	7.60% P.a.	6.90% P.a.
Rate of return on plan assets	8.55% P.a.	8.65% P.a.
Guaranteed Rate of return	8.55% P.a.	8.65% P.a.

52. Earning Per Share (EPS) computed in accordance with Ind AS 33 " Earning Per Share "

	For the year ended 31.03.2018	For the year ended 31.03.2017
Net Profit/(Loss) after tax as per P & L A/c (₹ in Crore)	395.70	218.02
Weighted average no. of equity shares for basic EPS (No's)	235,934,685	233,930,896
Add : weighted average of potential equity shares converted during the year (No's)	-	2,003,789
Weighted average no. of equity shares for diluted EPS (No's)	235,934,685	235,934,685
Basic EPS per share (in ₹)	16.77	9.32
Diluted EPS per share (in ₹)	16.77	9.24
Face value per share (in ₹)	2.00	2.00

53. 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
Sales volume	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
Sales price	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term inflation forecasts for each territory.
Budgeted gross margin	Based on past performance and management's expectations for the future.
Other operating costs	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.
Annual capital	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.
Long-term growth rate	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.
Pre-tax discount rates	Reflect specific risks relating to the relevant segments and the countries in which they operate.

54. A) Auditors remuneration includes the following

(₹ in Crore)

		For the year ended 31.03.2018	For the year ended 31.03.2017
(i)	Payment to auditors		
	Audit fee	0.20	0.18
	Certification work	0.06	0.06
	Other services	0.07	0.06
	Out of pocket expenses	0.02	0.02
		0.35	0.32
(ii)	Payment to branch auditors		
	Audit fee	0.03	0.03
	Tax audit fees	0.01	0.01
	Other capacity	0.00	0.01
	Certification work	0.02	0.02
	Out of pocket expenses	-	0.00
		0.06	0.06
	Total	0.41	0.38
(B)	Payment to Cost auditors		
	Audit fee	0.02	0.01
	Out of pocket expenses	-	-
	Total	0.02	0.01

55. 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)

	For the year ended 31.03.2018	For the year ended 31.03.2017
Salaries & allowances	0.32	1.20
Travelling and conveyance	0.02	0.05
Miscellaneous expenses	0.64	0.89
	0.98	2.14
Opening balance brought forward	0.35	0.36
	1.33	2.50
Less: Capitalised during the year	0.67	2.15
Closing balance carried over	0.66	0.35

56.

A. C.I.F. VALUE OF IMPORTS		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
	Raw material	1,893.69	1,827.08
	Stores & spares	133.02	141.27
	Capital goods	41.96	8.36
B. EXPENDITURE IN FOREIGN CURRENCY		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
	i) Export selling expenses	28.98	21.62
	ii) Interest	18.82	7.62
	iii) Travelling	0.57	0.39
	iv) Legal & professional expenses	0.09	0.17
	v) Quality claim	2.40	1.94
	vi) Others	11.61	9.82
C. EARNINGS IN FOREIGN CURRENCY			
	F.O.B. value of export	1,342.75	1,242.75
D. REMITTANCE OF DIVIDEND ON EQUITY SHARES		NIL	NIL

57. Previous years' figures have been re-arranged and regrouped wherever considered necessary. Figures less than 50000 have been shown as absolute number. Figures in bracket indicate previous year figures.

58. Note 1 to 58 are annexed to and form an integral part of the balance sheet and statement of profit & loss.

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: 26th April 2018			

Independent auditors' report on consolidated Ind AS financial statements

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 associate, comprising of the Consolidated Balance Sheet as at 31st March, 2018, 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 associate 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 Associate 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 Associate 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 31 March 2018, 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

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; included in the consolidated financial results whose financial statements reflect total assets of ₹ 580.08 Crore, net assets of ₹ 39.79 Crore and net cash inflows of ₹ 0.74 Crore as at 31st March, 2018, total revenues of ₹ 1834.36 Crore, total profit after tax of ₹ 49.50 Crore and total Comprehensive Income of ₹ 49.47 Crore for the year ended on that date, as considered in the consolidated financial statements. We did not audit the financial statement of three associates, namely Jindal Stainless Corporate Management Services Pvt. Limited, Jindal Stainless limited and J.S.S. Steelitalia Limited; in whose financial statements the Company's share of profit is ₹ 147.31 Crore and total Comprehensive Income of ₹ 152.58 Crore for the year ended on 31st March, 2018. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of subsidiaries, is based solely on the reports of the other auditors.

Financial statements of a subsidiary namely JSL Logistic Limited; which reflect total assets of ₹ 0.78 Crore, net assets of ₹ 0.55 Crore and net cash outflow of ₹ 0.07 Crore as at 31st March, 2018, total revenue of ₹ 1.44 Crore, total profit/(loss) after tax of ₹ (0.07) Crore and total Comprehensive Income of ₹ (0.07) Crore for the year, have been audited by one of the joint auditors of the company.

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.

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 31 March 2018 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the Directors of the Group and its Associate incorporated in India is disqualified as on 31 March 2018 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 Associate- Refer Note 35, 41, 42 and 52 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 Company incorporated in India.

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

N.K. LODHA
Partner
Membership No. 85155

Place: New Delhi
Dated: 26th April 2018

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
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 2018, 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, its subsidiary companies and its associates, 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 2018, 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 3 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: 26th April, 2018

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

SUNIL WAHAL
Partner
Membership No. 87294

(₹ in Crore)			
	NOTE NO	As at 31.03.2018	As at 31.03.2017
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	2,199.25	2,338.62
(b) Capital work-in-progress		66.21	42.05
(c) Goodwill (includes goodwill on consolidation)	3	86.25	86.25
(d) Other intangible assets	3	4.46	4.92
(e) Investment in associates - equity method	4	570.98	418.40
(f) Financial assets			
(i) Investments	4	0.00	0.00
(ii) Loans	5	900.00	485.00
(iii) Other financial assets	6	28.92	49.60
(g) Deferred tax assets (net)	7	8.71	9.74
(h) Other non-current assets	8	18.47	8.89
(2) Current assets			
(a) Inventories	9	1,673.70	1,716.06
(b) Financial assets			
(i) Trade receivables	10	846.62	1,049.74
(ii) Cash and cash equivalents	11	8.03	8.06
(iii) Bank balances other than (ii) above	12	7.13	5.58
(iv) Other financial assets	13	42.22	80.79
(c) Current tax assets (net)	14	3.34	5.15
(d) Other current assets	15	300.92	378.54
TOTAL ASSETS		6,765.21	6,687.39
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	16	47.19	47.19
(b) Other equity	16A	1,427.38	845.87
Non-controlling interest	16A	31.46	21.82

JINDAL STAINLESS (HISAR) LIMITED

Consolidated balance sheet as at 31st March, 2018

(₹ in Crore)				
		NOTE NO	As at 31.03.2018	As at 31.03.2017
	LIABILITIES			
(1)	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	17	2,257.38	2,435.05
	(ii) Other financial liabilities	18	0.27	-
	(b) Provisions	19	18.87	11.98
	(c) Deferred tax liabilities (net)	20	84.76	44.84
(2)	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	21	517.43	932.09
	(ii) Trade payables	22	1,632.00	1,638.74
	(iii) Other financial liabilities	23	439.65	354.42
	(b) Other current liabilities	24	258.63	313.46
	(c) Provisions	25	2.38	10.70
	(d) Current tax liabilities (net)	26	47.81	31.23
	TOTAL EQUITY AND LIABILITIES		6,765.21	6,687.39
	Significant Accounting Policies	1		
	Notes referred to above form an integral part of these financial statements	2-56		

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: 26th April 2018			

JINDAL STAINLESS (HISAR) LIMITED

Consolidated statement of profit & loss for the year ended on 31st March, 2018

(₹ in Crore)				
		NOTE NO	For the year ended 31.03.2018	For the year ended 31.03.2017
	INCOME			
I	Revenue from operations (gross)	27	10,563.30	8,536.19
II	Other income	28	116.05	65.00
III	TOTAL INCOME (I+II)		10,679.35	8,601.19
	EXPENSES			
	Cost of materials consumed	29	6,333.34	4,974.51
	Purchases of trading goods		634.72	203.67
	Changes in inventories of finished goods, work in progress and trading goods	30	16.55	(176.84)
	Employee benefits expenses	31	208.74	176.42
	Excise duty on sales		206.16	761.71
	Finance costs	32	408.20	431.41
	Depreciation and amortization expense	33	284.26	285.23
	Other expenses	34	1,933.15	1,616.16
	TOTAL EXPENSES (IV)		10,025.12	8,272.27
V	Profit before exceptional items and tax (III-IV)		654.23	328.92
VI	Exceptional items - gain/(loss)	37	19.56	28.27
VII	Share of profit from associates		147.31	50.25
VIII	Profit before tax (V+VI+VII)		821.10	407.44
	Tax expense			
	Provision for current tax		191.51	75.47
	Provision for deferred tax		42.25	41.49
	Previous year taxation adjustment		(0.31)	-
X	Profit for the year (VIII-IX)		587.65	290.48
	Profit attributable to:			
	Owners of the parent		578.04	286.65
	Non-controlling interest		9.61	3.83
			587.65	290.48

(₹ in Crore)				
		NOTE NO	For the year ended 31.03.2018	For the year ended 31.03.2017
XI	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains / (losses) on defined benefit plans		(2.70)	(3.65)
	Income tax effect on above		0.93	1.26
	Share from Associates		5.27	(0.16)
	Other comprehensive income for the year		3.50	(2.55)
	Other comprehensive income attributable to:			
	Owners of the parent		3.47	(2.47)
	Non-controlling interest		0.03	(0.08)
			3.50	(2.55)
XII	Total comprehensive income for the year (X+XI) (Comprising profit and other comprehensive income for the year)		591.15	287.93
	Total comprehensive income attributable to:			
	Owners of the parent		581.51	284.17
	Non-controlling interest		9.64	3.75
			591.15	287.92
XIII	Earnings per share (in ₹)	51		
	Basic		24.50	12.25
	Diluted		24.50	12.15
	Significant Accounting Policies	1		
	Notes referred to above form an integral part of these financial statements	2-56		

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: 26th April 2018			

EQUITY SHARE CAPITAL (₹ in Crore)				
At at 01.04.2016	Changes in equity share capital during 2016-17	At at 01.04.2017	Changes in equity share capital during 2017-18	At at 31.03.2018
46.24	0.95	47.19	-	47.19

OTHER EQUITY (₹ in Crore)							
	Equity component of compound financial instruments	Reserves and surplus			Items of other comprehensive income	Total	Non-Controlling Interest
		Capital reserve	Securities premium reserve	Retained earnings	Items that will not be reclassified to profit and loss		
					Re-measurement of the net defined benefit plans (net of tax)		
Balance as at 1st April, 2016	25.00	0.05	538.89	(0.62)	(0.68)	562.64	18.54
Profit for the year 2016-17				286.65		286.65	3.83
Addition/ (Transfer) #	(25.00)		24.05			(0.95)	
Share of loss from associates of subsidiary							(0.47)
Re-measurements of the net defined benefit plans					(2.47)	(2.47)	(0.08)
Balance as at 31st March, 2017	-	0.05	562.94	286.03	(3.15)	845.87	21.82
Profit for the year 2017-18				578.04		578.04	9.61
Re-measurements of the net defined benefit plans					3.47	3.47	0.03
Balance as at 31st March, 2018	-	0.05	562.94	864.07	0.32	1,427.38	31.46
# Conversion of CCW's in equity shares (refer note no.38)							

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: 26th April 2018			

		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
A.	Cash inflow / (outflow) from operating activities		
	Net profit/(loss) before tax and after exceptional items	821.10	407.44
	Adjustment for:		
	Add/(Less)		
	Depreciation and amortisation expenses	284.26	285.23
	Provision for doubtful debts & advance / bad debts (net)	14.19	44.77
	Effect of unrealised foreign exchange (gain)/loss	(4.17)	(36.04)
	Mark to market of derivatives contract (gain)/loss	2.16	(3.54)
	Share of profit/(loss) from associates	(147.31)	(50.25)
	Re-measurements of the net defined benefit plans	(2.70)	(3.65)
	Finance costs	408.20	431.41
	Interest income	(111.70)	(58.12)
	Loss on sale/discard of property, plant & equipment (net)	0.28	2.12
	Operating profit before working capital changes	1,264.31	1,019.37
	Adjustment for:		
	(Increase) / Decrease in inventories	42.36	(494.66)
	(Increase) / Decrease in trade receivables	193.55	(241.28)
	(Increase) / Decrease in loans & advances and other assets	112.68	(265.69)
	Increase / (Decrease) in liabilities and provisions	14.55	714.27
	Cash inflow from operating activities before exceptional items	1,627.45	732.01
	Income tax (advance) / refund (net)	(173.19)	(41.88)
	Net cash inflow from operating activities	1,454.26	690.13
B.	Cash inflow / (outflow) from investing activities		
	Amount paid in terms of composite scheme of arrangement	-	(1,415.07)
	Bank deposits encashed/(made)	(1.60)	1.82
	Capital expenditure	(193.68)	(139.24)
	Loan given to related party	(289.67)	(277.43)
	Sales proceeds of property, plant & equipment sold	8.86	4.09
	Interest received	10.54	45.88
	Net cash outflow from investing activities	(465.55)	(1,779.95)
C.	Cash inflow / (outflow) from financing activities		
	Interest and finance charges paid	(408.47)	(429.68)
	(Repayment of)/proceeds from long term borrowings (net)	(164.50)	1,355.89
	(Repayment of)/proceeds from short term borrowings (net)	(415.77)	154.92
	Net cash inflow / (outflow) from financing activities	(988.74)	1,081.13
	Net Changes in cash & cash Equivalents	(0.03)	(8.69)
	Cash & cash equivalents (closing balance)	8.03	8.06
	Cash & cash equivalents (opening balance)	8.06	16.75
	Net Changes in cash & cash equivalents	(0.03)	(8.69)

JINDAL STAINLESS (HISAR) LIMITED

Consolidated cash flow statement for the year ended 31st March, 2018

(₹ in Crore)			
1)	Notes: Cash and cash equivalents includes: - Cash, cheques and pooja and silver coins Balance with Banks	0.14 7.89 8.03	4.17 3.89 8.06
2)	Increase in paid up Capital are cash neutral and as such not considered in this statement.		
3)	Previous year's figures have been regrouped and rearranged wherever considered necessary.		

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: 26th April 2018			

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) Basis of preparation

The consolidated financial statements have been prepared complying in all material respects with the Indian Accounting Standards (IND AS) 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 financial statement of all period presented.

The financial statements has been prepared considering all IND AS as notified and made applicable by MCA for reporting date i.e. 31st March 2018.

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.

3) Standards issued but not yet effective

On 28th March 2018, Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018. These amendments will come into force for financial periods beginning on or after 1st April 2018.

IND AS 21, Foreign currency transactions and advance consideration

It clarified that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, shall be date when an entity has received or paid advance consideration in a foreign currency.

The Company has evaluated the effect of this on the financial statements and the impact is not material.

IND AS 115, Revenue from contract with customers

As per revised standard an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Additional disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers, are required to be made.

Transitional provisions provides two options:

- i. Under the Retrospective approach, the standard will be applied retrospectively to each prior reporting period presented in accordance with IND AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- ii. Under the Cumulative catch - up approach, the cumulative effect of initially applying the standard shall be recognized retrospectively at the date of initial application i.e. 1st April 2018.

The Company will adopt the standard on 1st April 2018 by using the cumulative catch-up transition approach and accordingly comparatives for the year ending or ended 31st March, 2018 will not be retrospectively adjusted. The effect on adoption of IND AS 115 is expected to be insignificant.

4) Basis of consolidation of financial statements

- i) The Company has prepared consolidated financial statements by consolidating its accounts with those of the followings as on 31.03.2018:

Name	Country of Incorporation	%Age Shareholding / Voting Power	
		31.03.2018	31.03.2017
Subsidiaries @			
Jindal Stainless Steelway Limited	India	81.91%	81.91%
JSL Lifestyle Limited	India	73.37%	73.37%
JSL Logistics Limited	India	100.00%	100.00%
Green Delhi BQS Limited	India	68.22%	68.22%
JSL Media Limited	India	99.94%	99.94%
Associates*			
J.S.S. Steelitalia Limited	India	33.00%	33.00%
Jindal Stainless Limited	India	35.12%	42.13%
Jindal Stainless Corporate Management Services Pvt Ltd.	India	50.00%	50.00%

@ 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, 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.

5) 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)
	Leasehold land	# Freehold land	# Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments and Computers	Total
GROSS CARRYING AMOUNT								
As at 1st April, 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	2,451.78	13.45	25.08	4.21	3,267.77
Additions	-	-	7.46	139.57	0.19	3.08	0.57	150.87
Disposal/adjustments	-	-	-	35.66	-	1.41	0.09	37.16
As at 31st March, 2018	7.53	327.69	445.49	2,555.69	13.64	26.75	4.70	3,381.48
ACCUMULATED DEPRECIATION								
As at 1st April, 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	-	-	-	17.26	0.46	0.27	0.21	18.20
As at 31st March, 2017	0.89	-	87.28	821.69	5.58	11.55	2.17	929.15
Charge for the year	0.44	-	25.77	250.63	1.33	2.53	0.41	281.11
Disposal/adjustments	-	-	0.00	27.23	-	0.73	0.07	28.04
As at 31st March, 2018	1.33	-	113.06	1,045.09	6.91	13.35	2.50	1,182.22
NET CARRYING AMOUNT								
As at 31st March, 2017	6.64	327.69	350.75	1,630.08	7.87	13.54	2.05	2,338.62
As at 31st March, 2018	6.20	327.69	332.43	1,510.60	6.73	13.40	2.20	2,199.25
Notes								
#The Company has legally valid, clear & marketable title over the freehold land & buildings amounting ₹ 318.12 crore and ₹ 3.24 crore respectively, vested in the company pursuant to the composite scheme of arrangement. 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.								

3. GOODWILL AND INTANGIBLE ASSETS (₹ in Crore)				
	Goodwill	* Software	Bus Q Shelter Concession Rights	Total
GROSS CARRYING AMOUNT				
As at 1st April, 2016	86.25	5.38	50.26	141.89
Additions	-	0.89	-	0.89
Disposals/adjustments	-	-	-	-
As at 31st March, 2017	86.25	6.27	50.26	142.78
Additions	-	2.69	-	2.69
Disposals/adjustments	-	-	-	-
As at 31st March, 2018	86.25	8.96	50.26	145.47
ACCUMULATED AMORTIZATION				
As at 1st April, 2016	-	2.23	42.51	44.74
Charge for the period	-	1.01	5.86	6.87
Relating to disposals/adjustments	-	-	-	-
As at 31st March, 2017	-	3.24	48.37	51.61
Charge for the period	-	1.26	1.89	3.15
Relating to disposals/adjustments	-	-	-	-
As at 31st March, 2018	-	4.50	50.26	54.76
NET CARRYING AMOUNT				
As at 31st March, 2017	86.25	3.03	1.89	91.17
As at 31st March, 2018	86.25	4.46	0.00	90.71
* Amortised in 5 Years				

(₹ in Crore)							
		As at 31.03.2018			As at 31.03.2017		
		Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
4	INVESTMENTS						
	NON - CURRENT INVESTMENTS						
	LONG TERM INVESTMENTS - AT COST LESS PROVISION						
A	Equity shares fully paid up of associate company-quoted						
	Jindal Stainless Limited #	168,284,309	2	366.19	168,284,309	2	366.19
	Share in profit from associate			203.57			51.69
	TOTAL (A)			569.76			417.88
B	Equity shares fully paid up of associate company-unquoted						
	Jindal Stainless Corporate Management Services Pvt. Ltd.	5,000	10	0.01	5,000	10	0.01
	Share in profit from associate			1.21			0.51
	J.S.S. Steellitalia Limited	7,713,190	10	7.71	7,713,190	10	7.71
	Share in (loss) from associate			(7.71)			(7.71)
	TOTAL (B)			1.22			0.52
C	Govt./Semi Govt. securities - non trade at fair value						
	National Savings Certificate [₹11,500 (₹11,000)]*			0.00			0.00
	TOTAL (C)			0.00			0.00
	TOTAL NON CURRENT INVESTMENT (A+B+C)			570.98			418.40
	Aggregate amount of quoted investments			569.76			417.88
	Aggregate market value of quoted investments			1,321.87			1,198.18
	Aggregate amount of unquoted investments			1.22			0.52
	# Pledge of 7,84,15,662 (Nil) shares in favour of lenders of Jindal Stainless Limited. (Read with Note no 39(iv))						
	* Lodged with Government Authorities as security.						

		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
5	NON CURRENT LOAN (Unsecured, considered goods unless otherwise stated) Loans to related party TOTAL - NON CURRENT LOANS	900.00 900.00	485.00 485.00
		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
6	OTHER NON CURRENT FINANCIAL ASSETS Bank deposits with remaining maturity of more than 12 Months* Interest receivable from related party Security deposits [Net of provision of ₹ 0.54 crore (₹ 0.54 crore)] TOTAL - OTHER NON CURRENT FINANCIAL ASSETS	0.16 - 28.76 28.92	0.11 21.43 28.06 49.60
		* under lien with banks/Govt. authorities	
		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
7	DEFERRED TAX ASSET (NET)		
(a)	DEFERRED TAX LIABILITY Difference between book & tax depreciable assets Total deferred tax liability	 3.54 3.54	 4.17 4.17
(b)	DEFERRED TAX ASSETS Disallowance under income tax act Brought forward loss/unabsorbed depreciation Total deferred tax assets	 1.73 0.17 1.90	 1.76 7.98 9.74
	MAT CREDIT ENTITLEMENT	10.35	4.17
	DEFERRED TAX ASSET (NET)	8.71	9.74
		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
8	OTHER NON CURRENT ASSETS Capital advances Other advance * TOTAL - OTHER NON CURRENT ASSETS	18.38 0.09 18.47	8.85 0.04 8.89
		* includes prepaid expenses	

		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
9	INVENTORIES (valued at lower of cost and net realizable value unless otherwise stated)		
	Raw Materials [Including material in Transit ₹ 265.55 Crore (₹ 285.01 Crore)]	604.40	597.29
	Work in Progress	516.21	397.49
	Finished Goods	413.06	591.77
	Store and Spares [Including material in Transit ₹ 7.15 Crore (₹ 8.87 Crore)]	125.38	102.28
	Scrap (at estimated realizable value)	14.65	27.23
	TOTAL - INVENTORIES	1,673.70	1,716.06
		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
10	TRADE RECEIVABLE		
	Unsecured		
	Considered good*	846.62	1,049.74
	Doubtful	45.38	42.95
	Less: Provision for doubtful receivable	45.38	42.95
	TOTAL - TRADE RECEIVABLE	846.62	1,049.74
	*The above includes receivables of ₹ 30.67 Crore (₹ 66.61 Crore) due for more than 180 days.		
		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
11	CASH AND CASH EQUIVALENTS		
	Balances with Banks	7.89	3.86
	Bank Deposits with original maturity of less than three month *	-	0.03
	Cheques in hand/Money in Transit	0.04	4.05
	Cash in Hand	0.10	0.12
	Puja and silver coins [₹ 14,585 (₹ 13,039)]	0.00	0.00
	TOTAL CASH AND CASH EQUIVALENTS	8.03	8.06
	* under lien with Banks.		
		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
12	OTHER BANK BALANCES		
	Bank Deposits with original maturity of more than three month but less than 12 months*	7.13	5.58
	TOTAL OTHER BANKS BALANCES	7.13	5.58
	* under lien with Banks.		
		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
13	OTHER CURRENT FINANCIAL ASSETS		
	Security deposits	4.42	6.95
	Interest receivable	4.28	7.02
	Other receivable *	33.52	66.82
	TOTAL - OTHER CURRENT FINANCIAL ASSETS	42.22	80.79
	* Includes Export Incentives etc.		

(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
14	CURRENT TAX ASSETS (NET)		
	Current tax assets (Net of provision of ₹ 26.44 Crore)	3.34	5.15
	TOTAL - CURRENT TAX ASSETS (NET)	3.34	5.15
(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
15	OTHER CURRENT ASSETS		
	Advance to vendors \$	54.48	78.74
	Advance to related party #	141.41	204.57
	Advance to employees	0.50	0.55
	Balances with indirect tax authorities	94.14	79.34
	Unbilled revenue	0.01	0.05
	Other receivables *	10.38	15.29
	TOTAL OTHER CURRENT ASSETS	300.92	378.54
	\$ includes ₹ 30.00 crore (₹ Nil) to Jindal Stainless Limited.		
	# includes ₹ 141.41 crore (₹ 204.57 crore) receivable from Jindal Stainless Limited on current account.		
	* includes prepaid Expenses etc.		
(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
16	SHARE CAPITAL		
	AUTHORISED		
	240,000,000 (240,000,000) equity shares of ₹ 2/- each	48.00	48.00
	10,000,000 (10,000,000) preference shares of ₹ 2/- each	2.00	2.00
		50.00	50.00
	ISSUED, SUBSCRIBED AND PAID UP		
	235,934,685 (235,934,685) equity shares of ₹ 2/- each	47.19	47.19
	TOTAL - SHARE CAPITAL	47.19	47.19
(a)	RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR	EQUITY SHARES	
		31.03.2018	31.03.2017
		No. of Shares	No. of Shares
	Shares outstanding at the beginning of the year	235,934,685	231,185,445
	Add: Equity shares issued during the year (refer note no 38)	-	4,749,240
	Shares outstanding at the end of the year	235,934,685	235,934,685
(b)	TERMS/RIGHTS ATTACHED TO EQUITY SHARES		
	<p>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.</p> <p>As on 31st March 2018, 7,552,167 GDSs (8,802,167 GDSs) with 15,104,334 underlying equity shares (17,604,334 equity shares) were outstanding. Each GDS represents 2 underlying equity shares of the Company.</p>		

(c) EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER				
NAME OF THE SHAREHOLDER			As at 31.03.2018	As at 31.03.2017
JSL Overseas Holding Limited	No. of Shares		30,200,000	27,700,000
	% holding		12.80%	11.74%
JSL Overseas Limited	No. of Shares		26,560,440	26,560,440
	% holding		11.26%	11.26%
ELM Park Fund Limited	No. of Shares		19,432,160	13,107,160
	% holding		8.24%	5.56%

(d) No bonus, buy back, issue of share other than in cash in last 5 years except pursuant to composite scheme of arrangement.

16A. OTHER EQUITY							₹ in Crore	
	Equity component of compound financial instruments	Reserves and surplus			Items of other comprehensive income	Total	Non-Controlling Interest	
		Capital reserve	Securities premium reserve	Retained earnings	Items that will not be reclassified to profit and loss			
								Re-measurement of the net defined benefit plans (net of tax)
Balance as at 1st April, 2016	25.00	0.05	538.89	(0.62)	(0.68)	562.64	18.54	
Profit for the year 2016-17				286.65		286.65	3.83	
Addition/ (transfer) #	(25.00)		24.05			(0.95)		
Share of loss from associates of subsidiary							(0.47)	
Re-measurements of the net defined benefit plans					(2.47)	(2.47)	(0.08)	
Balance as at 31st March, 2017	-	0.05	562.94	286.03	(3.15)	845.87	21.82	
Profit for the year 2017-18				578.04		578.04	9.61	
Re-measurements of the net defined benefit plans					3.47	3.47	0.03	
Balance as at 31st March, 2018	-	0.05	562.94	864.07	0.32	1,427.38	31.46	

Conversion of CCW's in equity shares (refer note no. 38)

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. 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)					
17	LONG-TERM BORROWINGS	As at 31.03.2018		As at 31.03.2017	
		Non-current	Current	Non-current	Current
	SECURED				
(a)	Rupee term loans from banks	2,206.32	150.13	2,401.51	147.03
(b)	Working capital term loans from financial institutions	23.75	9.61	-	-
(c)	Car loans from banks	0.03	0.03	0.04	0.02
	TOTAL - SECURED	2,230.10	159.77	2,401.55	147.05
	UNSECURED				
(d)	Loan from other party	27.28	-	33.50	-
	TOTAL - UNSECURED	27.28	-	33.50	-
	Less : Amount disclosed under the head other current liabilities		159.77		147.05
	TOTAL - LONG TERM BORROWINGS	2,257.38	-	2,435.05	-
	Secured borrowings				
(a) (i)	<p>The term loan facility from banks amounting to ₹ 2,356.45 Crore (₹ 2,547.64 Crore) are repayable in quarterly instalments of ₹ 48.75 Crore each during 2018-19 (instalment due on 1st April, 2018 has been paid during the month of March 2018 to the extent of ₹ 44.87 Crore) ₹ 58.50 Crore each during 2019-20, ₹ 65.00 Crore each during 2020-21, ₹ 71.50 Crore each from 2021-22 to 2026-27 (the excess amount paid of ₹ 1.08 Crore will be adjusted in last instalment).</p> <p>The term loan facility 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 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. The stated term loan facility are further secured by a first ranking pari-passu charge by way of hypothecation or assignment in relation to loans and advances advanced by the Company to JSL. (read with Note no. 39)</p> <p>Rupee term loan facility carried 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/ MCLR and adjust the spread accordingly.</p>				
(a) (ii)					
b)	<p>Term loan of ₹ Nil (₹ 0.90 Crore) 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.</p>				
(c)	<p>In case of Jindal Stainless Steelway Limited, Working Capital Term Loan Facility are secured (subject to the approval of the existing Working Capital Consortium Lenders) by way of First pari-passu charge (with Term Lenders) on the Fixed Assets of the Company (both present and future) and Second pari-passu charge (with Term Lenders) on the Current Assets of the Company (both present and future)</p> <p>Secured by way of hypothecation of vehicles purchased there under and payable for the terms of the agreement.</p>				
(₹ in Crore)					
				As at 31.03.2018	As at 31.03.2017
18	OTHER NON CURRENT FINANCIAL LIABILITIES				
	Other outstanding liabilities			0.27	-
	TOTAL - OTHER NON CURRENT FINANCIAL LIABILITIES			0.27	-

(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
19	NON-CURRENT PROVISIONS		
	For employee benefits	18.87	11.98
	TOTAL - NON-CURRENT PROVISIONS	18.87	11.98
(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
20	DEFERRED TAX LIABILITY (NET)		
(a)	DEFERRED TAX LIABILITY		
	Difference between book & tax depreciable assets	116.22	120.63
	Other temporary differences	4.58	4.65
	Total deferred tax liability	120.80	125.28
(b)	DEFERRED TAX ASSETS		
	Disallowance under income tax act	36.04	32.42
	Total deferred tax assets	36.04	32.42
	MAT CREDIT ENTITLEMENT	-	48.02
	DEFERRED TAX LIABILITY (NET)	84.76	44.84
(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
21	CURRENT BORROWINGS		
	SECURED		
	Working capital facilities from banks	290.41	496.22
	Buyer credit - against working capital	195.90	404.75
	TOTAL - SECURED	486.31	900.97
	UNSECURED		
	Loan from other parties	31.12	31.12
	TOTAL - UNSECURED	31.12	31.12
	TOTAL -CURRENT BORROWINGS	517.43	932.09
	Secured borrowings		
	Working capital facilities (including Buyer's Credit facilities) are secured 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. (read with Note no. 39)		

(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
22	TRADE PAYABLES		
	Micro and small enterprises	4.30	3.00
	Trade payables (including acceptances)	1,627.70	1,635.74
	TOTAL TRADE PAYABLES	1,632.00	1,638.74
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)			
		As at 31.03.2018	As at 31.03.2017
	Principal amount due outstanding	0.06	0.13
	Interest due on 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)			
		As at 31.03.2018	As at 31.03.2017
23	OTHER FINANCIAL LIABILITIES		
	Current maturities of non-current borrowings	159.77	147.05
	Interest accrued	6.39	6.21
	Capital payables	23.37	29.79
	Derivative financial liabilities	2.55	0.39
	Security deposits	2.48	2.65
	Due to employees	24.60	14.51
	Other outstanding financial liabilities *	220.49	153.82
	TOTAL - OTHER FINANCIAL LIABILITIES	439.65	354.42
* Includes provision for expenses			
(₹ in Crore)			
		As at 31.03.2018	As at 31.03.2017
24	OTHER CURRENT LIABILITIES		
	Advance from customers	45.59	57.73
	Other outstanding liabilities *	213.04	255.73
	TOTAL - OTHER CURRENT LIABILITIES	258.63	313.46
* Includes statutory dues, provision for excise duty on closing stock, arbitration liability etc.			

		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
25	CURRENT PROVISIONS		
	For employee benefits	2.38	10.70
	TOTAL - CURRENT PROVISIONS	2.38	10.70
		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
26	CURRENT TAX LIABILITIES (NET)		
	Current tax liabilities (Net of prepaid tax ₹ 204.82 Crore)	47.81	31.23
	TOTAL - CURRENT TAX LIABILITIES (NET)	47.81	31.23
		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
27	REVENUE FROM OPERATIONS		
(a)	SALE OF PRODUCTS		
	Finished goods [Net of discount ₹ 99.49 Crore (₹ 76.43 Crore)]	9,871.78	8,191.41
	Semi - finished goods	6.58	1.60
	Trading goods	542.89	213.80
	Export benefits	51.89	50.04
		10,473.14	8,456.85
(b)	SALE OF SERVICES		
	Job charges received	43.24	44.95
		43.24	44.95
(c)	OTHER OPERATING REVENUE		
	Sale of gases / slag	14.01	11.11
	Provision for doubtful debts/advances reversed	-	9.50
	Miscellaneous income	32.91	13.78
		46.92	34.39
	TOTAL REVENUE FROM OPERATIONS	10,563.30	8,536.19
		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
28	OTHER INCOME		
(a)	INTEREST INCOME ON		
	Loan & advances	107.21	51.65
	Trade receivables	4.49	6.47
		111.70	58.12
(b)	OTHER NON-OPERATING INCOME (NET)	4.35	6.88
	TOTAL - OTHER INCOME	116.05	65.00
		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
29	COST OF MATERIAL CONSUMED		
	Raw material consumed	6,333.34	4,974.51
	TOTAL COST OF MATERIAL CONSUMED	6,333.34	4,974.51

(₹ in Crore)			
		For the year ended 31.03.2018	For the year ended 31.03.2017
30	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS		
	OPENING STOCK		
	Finished goods	591.77	429.52
	Work in progress	397.49	376.54
	Scrap	27.23	23.54
	Trading goods	-	0.35
	TOTAL OPENING STOCK	1,016.49	829.95
	CLOSING STOCK		
	Finished goods	413.06	591.77
	Work in progress	516.21	397.49
	Scrap	14.65	27.23
	TOTAL CLOSING STOCK	943.92	1,016.49
	Excise duty on account of increase/(decrease) in stock of finished products	(56.02)	9.70
	TOTAL CHANGES IN INVENTORIES	16.55	(176.84)
(₹ in Crore)			
		For the year ended 31.03.2018	For the year ended 31.03.2017
31	EMPLOYEE BENEFITS EXPENSES		
	Salaries, wages, bonus and other benefits	188.72	159.29
	Contribution to provident and other funds	9.82	8.15
	Staff welfare expenses	10.20	8.98
	TOTAL EMPLOYEE BENEFITS EXPENSES	208.74	176.42
(₹ in Crore)			
		For the year ended 31.03.2018	For the year ended 31.03.2017
32	FINANCE COSTS		
	Interest expenses	380.56	400.75
	Other borrowing costs	27.64	30.66
	TOTAL FINANCE COSTS	408.20	431.41
(₹ in Crore)			
		For the year ended 31.03.2018	For the year ended 31.03.2017
33	DEPRECIATION AND AMORTIZATION EXPENSES		
	Depreciation on property, plant and equipment	281.11	278.36
	Amortization of intangible assets	3.15	6.87
	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES	284.26	285.23

		(₹ in Crore)	
		For the year ended 31.03.2018	For the year ended 31.03.2017
34	OTHER EXPENSES		
(a)	MANUFACTURING EXPENSES		
	Consumption of stores and spares	495.15	435.18
	Power and fuel	804.44	633.78
	Labour processing & transportation charges	109.35	76.59
	Repairs to buildings	3.89	1.68
	Repairs to plant & machinery	24.98	20.71
	Job work expenses	145.00	137.04
	Other manufacturing expenses	58.53	45.73
		1,641.34	1350.72
(b)	ADMINISTRATIVE EXPENSES		
	Insurance	9.54	8.63
	Rent	5.70	5.90
	Rates and taxes	2.26	0.85
	Legal and professional	52.81	39.11
	Postage, telegram, telex and telephone	2.81	2.91
	Printing & stationary	3.87	3.53
	Travelling & conveyance	8.55	6.19
	Managerial commission	25.52	13.42
	Director's meeting fees	0.21	0.14
	Vehicle upkeep and maintenance	6.77	5.33
	Auditor's remuneration	0.57	0.57
	Donation	0.68	0.63
	Net Loss on sale/discard of property, plant and equipment	0.28	2.12
	Miscellaneous expenses	18.97	10.30
		138.54	99.63
(c)	SELLING EXPENSES		
	Freight & forwarding expenses	96.23	95.21
	Commission on sales	32.92	26.68
	Other selling expenses	6.19	6.47
	Provision for doubtful debts / advances	2.43	4.20
	Bad debts	11.76	30.94
	Advertisement & publicity	3.74	2.31
		153.27	165.81
	TOTAL OTHER EXPENSES	1,933.15	1,616.16
	NET LOSS ON SALE/DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT INCLUDES:		
	Gain on Sale	(0.20)	(0.03)
	Loss on Sale	0.22	0.30
	Loss on Discard	0.26	1.85
		0.28	2.12

35.

		(₹ in Crore)	
		As at 31.03.2018	As at 31.03.2017
A	Contingent liabilities not provided for in respect of:		
	i) Sale tax demands against which Company preferred appeals.	0.49	0.49
	ii) Excise duty/custom/service tax/cess/royalty show cause notices/ demands against which Company has preferred appeals.	68.22	77.77
	iii) Claims and other liabilities against the Company not acknowledged as debt.	45.15	47.93
	iv) Income tax demands against which company has preferred appeals.	0.30	-
B	Custom duty saved on guarantee given to the custom authorities for import under EPCG Scheme	7.49	13.25
C	Corporate guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless Limited.	2,691.06	5,194.27
	Note: Contingent liability in respect of associate (Refer note no. 52)		

36. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 80.35 Crores (₹ 57.78 Crores).

37. a) Exceptional items includes gain/ (loss) (net) of ₹ 31.25 Crore (₹ 45.27 Crore) on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of (₹ 2.16 Crore)(₹ 3.54 Crore) upon marked to market of derivatives contracts (net), gain/(loss) of (₹ 9.53 Crore) {(₹1.56 Crore)} on forward cover cancellation.

b) Exceptional items includes ₹ Nil (₹ 18.98 Crore) on account of provision against FSA charges for earlier periods provided in view of the decision of Hon'ble Supreme Court.

38. 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 previous 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 fund had been used for the purpose for which the funds were raised.

39. The term loan facility and working capital facility (including buyers' credit) of the Company are also be secured by the following additional securities:

- i) Unconditional & irrevocable personal guarantee of Mr. Ratan Jindal;
- ii) Unconditional & irrevocable corporate guarantee of Jindal Stainless Limited (JSL);
- iii) 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);
- iv) Pledge of 8,98,68,647 shares of JSL (out of 16, 82, 84,309 shares) held by the Company in favour of lenders of the Company. Balance 7,84,15,662 no. shares have been pledged in favour of Lenders of JSL;
- v) Pledge over investments of the Company in subsidiaries as listed below:
 - JSL Lifestyle Limited; and
 - JSL Logistics Limited

40. a) Certain balances of trade receivable, loan & advance, trade payable and other liabilities are subject to confirmation and/or reconciliation.

b) Pursuant to scheme of arrangement, necessary steps and formalities in respect of transfer of and vesting in the properties, licenses, approvals and investments in favor of the company are under implementation.

- 41 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 have been referred to a larger 9-judges Constitutional Bench of the Supreme Court of India. The 9 judge 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 division bench of Hon'ble Supreme Court vide its order dated 21/03/2017 declared on 20/05/2017 permitted the petitioners to file petition before respective High Court in this regard for any factual background or any other constitutional/ statutory issue. The company accordingly filed Civil Writ Petition before Hon'ble High Court of Punjab & Haryana on 30/05/2017, which has granted the stay till further direction.

In the meanwhile, the division bench of Hon'ble Supreme Court of India vide its order dated 09/10/2017 has upheld the legislative competence of the State Legislatures to levy Entry Tax on Import of goods from any Territory outside the India while examining the Entry Tax legislations of the State of Odisha, Kerala and Bihar.

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

- 42 In 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.

43. Green Delhi BQS Limited has taken unsecured loan from certain companies, aggregating to ₹ 79,52,42,624/- outstanding as on March 31, 2018 (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.

44. Financial Risk Management

44.1 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, 2018 and March 31, 2017.

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 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, 2018 for hedging currency risks:

As at

31st March 2018

Nature of derivatives	Type	No. of contracts	Foreign Currency (Million)	Amount (₹ In Crore)
Forward Covers				
USD/INR	Sale	37	55.020	358.57
EURO/USD	Sale	27	32.016	257.07
USD/INR	Buy	103	66.329	432.33

JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31st March 2018

**As at
31st March 2017**

Nature of derivatives	Type	No. of contracts	Foreign Currency (Million)	Amount (₹ In Crore)
Forward Covers				
USD/INR	Sale	27	18.363	119.09
EURO/USD	Sale	37	32.374	223.72
USD/INR	Buy	186	84.017	544.81

Note: INR equivalent values have been calculated at the year end exchange rates in INR to give an indicative value of the contracts in Indian 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, 2018 is as under:

Nature	As at 31.03.2018		As at 31.03.2017	
	Foreign Currency (Million)	Amount (₹ In Crore)	Foreign Currency (Million)	Amount (₹ In Crore)
Account receivables				
USD	4.142	27.00	11.038	71.58
JPY	2.751	0.17	-	-
CAD	0.004	0.02	-	-
CHF	0.095	0.65	-	-
Account payables				
USD	40.841	266.20	38.794	251.56
EURO	1.164	9.35	0.853	5.89
CAD	-	-	0.024	0.12
GBP	0.447	4.08	-	-
Loans				
USD	22.778	148.47	16.187	104.98

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)

(₹ In Crore)			
	Change in currency exchange rate	Effect on profit/ (loss) before tax	
		31.03.2018	31.03.2017
USD	+5%	(19.39)	(14.25)
	-5%	19.39	14.25
EURO	+5%	(0.47)	(0.29)
	-5%	0.47	0.29
CAD	+5%	-	(0.01)
	-5%	-	0.01
GBP	+5%	(0.20)	-
	-5%	0.20	-
JPY	+5%	(0.01)	-
	-5%	0.01	-
CHF	+5%	(0.03)	-
	-5%	0.03	-

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, CAD, GBP and CHF. 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)		
	For the year ended 31.03.2018	For the year ended 31.03.2017
Currency fluctuations		
Net foreign exchange (gain) / losses shown as exceptional item	(19.56)	(47.25)
TOTAL	(19.56)	(47.25)

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:

- 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.

(₹ In Crore)			
	Increase /decrease in basis points	Effect on profit/ (loss) before tax	
		31.03.2018	31.03.2017
INR Borrowings	+50	(12.53)	(14.66)
	-50	12.53	14.66
USD Borrowings	+50	(1.64)	(2.51)
	-50	1.64	2.51

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.

JINDAL STAINLESS (HISAR) LIMITED**Notes to the consolidated financial statements for the year ended 31st March 2018**

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.

As at**31st March, 2018**

(₹ In Crore)					
	Carrying Amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	2,934.58	677.19	538.87	1,718.52	2,934.58
Other financial liabilities	280.15	279.88	0.27	-	280.15
Trade payables	1,632.00	1,632.00	-	-	1,632.00
Total	4,846.73	2,589.07	539.14	1,718.52	4,846.73

* Including current maturity.

As at**31st March 2017**

(₹ In Crore)					
	Carrying Amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	3,514.19	1,079.15	716.84	1,718.20	3,514.19
Other financial liabilities	207.37	207.37	-	-	207.37
Trade payables	1,638.91	1,638.91	-	-	1,638.91
Total	5,360.47	2,925.43	716.84	1,718.20	5,360.47

* Including current maturity.

Unused Lines of Credit

(₹ In Crore)		
Particulars	As at 31.03.2018	As at 31.03.2017
Secured	291.63	159.35
Unsecured	-	-
Total	291.63	159.35

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
31st March 2018**

Particulars	Total borrowings (₹ In Crore)	Floating rate borrowings (₹ In Crore)	Fixed rate borrowings (₹ In Crore)	Weighted average interest rate (%)
INR	2,595.40	2,503.57	91.83	10.31%
USD	339.18	339.18	-	2.86%
Total	3,514.19	3,433.83	80.36	

**For the year ended
31st March 2017**

Particulars	Total borrowings (₹ In Crore)	Floating rate borrowings (₹ In Crore)	Fixed rate borrowings (₹ In Crore)	Weighted average interest rate (%)
INR	3,004.47	2,931.50	72.97	10.83%
USD	509.72	502.33	7.39	2.00%
Total	3,514.19	3,433.83	80.36	

44.2 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.

44.3 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)	
	As at 31.03.2018	As at 31.03.2017	
Loans and borrowings	2,934.58	3,514.19	
Less: cash and cash equivalents	8.03	8.06	
Net debt	2,926.55	3,506.13	
Total capital	1,434.68	893.06	
Capital and net debt	4,361.23	4,399.19	
Gearing ratio	67%	80%	

45. (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: -

	Note	Level	As at 31.03.2018 (₹ In Crore)	As at 31.03.2017 (₹ In Crore)	Valuation techniques and key inputs	
Financial assets /liabilities at fair value through amortised cost:						
(a)	Financial assets					
	Loans	5	3	900.00	485.00	Discounted cash flows
	Other financial assets	6 & 13	3	71.14	130.39	Discounted cash flows
(b)	Financial liabilities					
	Borrowings	17	3	2,257.38	2,435.05	Discounted cash flows
	Borrowings - current	21	3	517.43	932.09	Discounted cash flows
	Other financial liabilities	18 & 23	3	437.37	354.03	Discounted cash flows
Financial liabilities at fair value through statement of profit or loss:						
	Derivative forward contract	23	2	2.55	0.39	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 2017-18.

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, 2018 and March 31, 2017 have been considered at nil as estimated by the management and an independent professional.

45. (B) The Company has made investment in an associate in terms of composite scheme of arrangements approved by Hon'ble High Court where the prices of equity shares are determined as per SEBI formula.

46. 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 current and previous year, which are:

			Ownership Interest	
		Country of Incorporation	31 st March 2018	31 st March 2017
a)	Associates			
1	Jindal Stainless Corporate Management Services Pvt. Limited	INDIA	50.00%	50.00%
2	Jindal Stainless Limited (w.e.f. 03.07.2016)	INDIA	35.12%	42.13%
3	J S S Steeltalia Limited	INDIA	33.00%	33.00%
b)	Subsidiaries and joint ventures of parties listed in (a) above			
1	Jindal Stainless UK Ltd. (w.e.f. 03.07.2016)	UK		
2	Jindal Stainless FZE (w.e.f. 03.07.2016)	UAE		
3	PT Jindal Stainless Indonesia (w.e.f. 03.07.2016)	Indonesia		
4	Iberjindal S.I. (w.e.f. 03.07.2016)	Spain		
5	Jindal Coke Limited (w.e.f. 03.07.2016)	INDIA		
6	Jindal United Steel Limited (w.e.f. 03.07.2016)	INDIA		
c)	Trusts			
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	Mr. Abhyuday Jindal	Vice Chairman-Jindal Stainless (Hisar) Limited		
3	Ms. Deepika Jindal	Managing Director-JSL Lifestyle Limited		
4	Mr. Ashok Kumar Gupta	Whole Time Director (appointed w.e.f 2nd November, 2015)-Jindal Stainless (Hisar) Limited		
5	Mr. Jagmohan Sood	COO & Unit Head, Hisar Plant (appointed w.e.f 1st April, 2016)-Jindal Stainless (Hisar) Limited		
6	Mr. Ankur Agrawal	Chief Financial Officer (appointed w.e.f 2nd November, 2015)-Jindal Stainless (Hisar) Limited		
7	Mr. Bhartendu Harit	Company Secretary (appointed w.e.f 2nd November, 2015)-Jindal Stainless (Hisar) Limited		
8	Mr. Anuj Jain	Whole Time Director (resigned w.e.f 30th September, 2016)-JSL Lifestyle Limited		
9	Mr. Tomy Sebastian	Whole Time Director (appointed w.e.f 15th November, 2016)-JSL Lifestyle Limited		
10	Mr. Kuldeep Chander	Whole Time Director (resigned w.e.f 17th December, 2016)-JSL Lifestyle Limited		
11	Mr. Harender Singh	Chief Financial Officer (resigned w.e.f 1st August, 2016)-JSL Lifestyle Limited		
12	Mr. Rajiv Kumar Agarwal	Company Secretary (resigned w.e.f 19th September, 2016)-JSL Lifestyle Limited		
13	Mr. Tarun Jain	Chief Financial Officer (appointed w.e.f 1st August, 2016)-JSL Lifestyle Limited		
14	Mr. Ajay Kumar	Whole Time Director (resigned w.e.f 30th April, 2016)-Jindal Stainless Steelway Limited		
15	Mr. Ashish Aggarwal	Whole Time Director (appointed w.e.f 1st July, 2016)-Jindal Stainless Steelway Limited		
16	Mr. Sanjeev Sharma	Chief Financial Officer -Jindal Stainless Steelway Limited		
17	Mr. Rajesh Kumar Pandey	Company Secretary -Jindal Stainless Steelway Limited		

B. Transactions:

(₹ In Crore)				
Description	For the year ended 31.03.2018		For the year ended 31.03.2017	
	Associates & Other Parties (a,b & c)	Key Management Personnels (d)	Associates & Other Parties (a,b & c)	Key Management Personnels (d)
Purchase of goods	2,358.03	-	1,370.11	-
PT. Jindal Stainless Indonesia	24.77	-	11.87	-
J S S Steel Italia Limited	1.34	-	0.87	-
Jindal United Steel Limited	121.18	-	-	-
Jindal Coke Limited	11.45	-	-	-
Jindal Stainless Limited	2,199.28	-	1,357.37	-
Sale of goods	1,090.42	-	493.31	-
PT. Jindal Stainless Indonesia	39.65	-	115.98	-
J S S Steel Italia Limited	17.57	-	23.53	-
Iberjindal S.I.	158.33	-	83.83	-
Jindal Stainless Limited	874.67	-	269.24	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.19	-	0.73	-
Job charges received	33.40	-	30.87	-
Jindal Stainless Limited	33.40	-	30.87	-
Job work charges paid	44.01	-	77.07	-
Jindal Stainless Limited	43.96	-	77.07	-
Others	0.05	-	-	-
Freight charges received	0.97	-	0.24	-
Jindal Stainless Limited	0.97	-	0.24	-
Rent received	1.48	-	0.98	-
Jindal Stainless Limited	1.29	-	0.98	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.19	-	-	-
Rent paid	0.56	-	0.50	-
Jindal Stainless Limited	0.56	-	0.50	-
Overheads & maintenance charges received	0.09	-	0.11	-
Jindal Stainless Limited	0.09	-	0.11	-
Overheads & maintenance charges paid	7.61	-	4.74	-
Jindal Stainless Limited	7.61	-	4.74	-
Commission on sale paid	7.82	-	1.70	-
Jindal Stainless FZE, Dubai	7.63	-	1.47	-
Jindal Stainless UK Ltd.	0.19	-	0.23	-

(₹ In Crore)				
Description	For the year ended 31.03.2018		For the year ended 31.03.2017	
	Associates & Other Parties (a,b & c)	Key Management Personnels (d)	Associates & Other Parties (a,b & c)	Key Management Personnels (d)
Receiving of services (remuneration paid)	-	35.02	-	22.14
Mr. Ratan Jindal (Commission)	-	15.95	-	13.42
Mr. Abhyuday Jindal (Commission)	-	9.57	-	-
Mr. Ashok Kumar Gupta	-	2.79	-	2.53
Mr. Jagmohan Sood	-	1.17	-	0.95
Mr. Ankur Agrawal	-	0.76	-	0.64
Mr. Bhartendu Harit	-	0.30	-	0.22
Ms. Deepika Jindal	-	2.09	-	0.91
Mr. Anuj Jain	-	-	-	1.14
Mr. Tomy Sebastian	-	0.74	-	0.32
Mr. Kuldeep Chander	-	-	-	0.27
Mr. Harender Singh	-	-	-	0.25
Mr. Rajiv Kumar Agarwal	-	-	-	0.09
Mr. Tarun Jain	-	0.40	-	0.20
Mr. Ajay Kumar	-	-	-	0.24
Mr. Ashish Aggarwal	-	0.72	-	0.46
Mr. Sanjeev Sharma	-	0.44	-	0.40
Mr. Rajesh Kumar Pandey	-	0.11	-	0.10
Interest income	103.90	-	43.70	-
Jindal Stainless Limited	103.90	-	43.70	-
Consultancy charges paid	35.91	-	28.05	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	35.91	-	28.05	-
Sharing of exp. reimbursed/to be reimbursed	1.49	-	4.29	-
Jindal Stainless Limited	1.27	-	3.88	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.21	-	0.41	-
Others	0.01	-	-	-
Sharing of exp. recovered/to be recovered	1.07	-	1.08	-
PT. Jindal Stainless Indonesia	-	-	0.16	-
J S S Steel Italia Limited	0.06	-	0.02	-
Jindal Stainless Limited	0.95	-	0.65	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.07	-	0.25	-
Loans & advances given	415.00	-	292.34	-
Jindal Stainless Limited	415.00	-	292.34	-
Contribution towards trusts	31.01	-	19.62	-
Jindal Stainless (Hisar) Limited Group Gratuity Fund	8.78	-	0.28	-
Jindal Stainless (Hisar) Limited (Ferro alloys) Group Gratuity Scheme	0.05	-	0.02	-
Jindal Stainless (Hisar) Limited EPF Trust	21.50	-	18.70	-
Jindal Stainless (Hisar) Welfare Fund	0.68	-	0.62	-
Outstanding balance				
Guarantee/ counter guarantee given	2,691.06	-	5,194.27	-
Jindal Stainless Limited	2,691.06	-	5,194.27	-
Loans & advances	900.00	-	711.00	-
Jindal Stainless Limited @	900.00	-	711.00	-

(₹ In Crore)				
Description	For the year ended 31.03.2018		For the year ended 31.03.2017	
	Associates & Other Parties (a,b & c)	Key Management Personnels (d)	Associates & Other Parties (a,b & c)	Key Management Personnels (d)
Advance against supplies/vendor	171.41	-	-	-
Jindal Stainless Limited	171.41	-	-	-
Receivables	80.52	-	291.93	-
J S S Steel Italia Limited	16.95	-	20.03	-
PT. Jindal Stainless Indonesia	8.00	-	91.08	-
Iberjindal S.I.	48.40	-	31.91	-
Jindal Stainless Limited	0.77	-	148.22	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	6.41	-	0.69	-
Payables	55.39	-	78.96	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.21	-	4.63	-
J S S Steel Italia Limited	0.24	-	-	-
PT. Jindal Stainless Indonesia	1.38	-	-	-
Jindal Stainless FZE, Dubai	7.56	-	-	-
Jindal Stainless Limited	45.99	-	72.52	-
Others	0.01	-	1.81	-
Remuneration payable	-	15.66	-	14.05
Mr. Ratan Jindal	-	9.50	-	13.42
Mr. Abhyuday Jindal	-	5.72	-	-
Mr. Ashok Kumar Gupta	-	0.25	-	0.45
Mr. Jagmohan Sood	-	0.09	-	0.09
Mr. Ankur Agrawal	-	0.07	-	0.07
Mr. Bhartendu Harit	-	0.03	-	0.02
Above to read with note no. 35(C) and transactions with Jindal Stainless Limited are subject to approval of the shareholders in the ensuing General Meeting.				
@ Includes Inter corporate Deposits amounting to ₹ 900.00 Crore (₹ 485.00 Crore) including interest till 31st March 2018, 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 monthly basis from 1st April, 2018 onwards.				
Compensation to key management personnel				
(₹ In Crore)				
Particulars	For the year ended 31.03.2018		For the year ended 31.03.2017	
Short-term employee benefits*	35.02		22.14	
Total compensation to key management personnel	35.02		22.14	
*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.				

47. Income tax reconciliation

(₹ In Crore)		
Tax expenses	For the year ended 31.03.2018	For the year ended 31.03.2017
Current tax	191.51	75.47
Deferred tax	42.25	41.49
Income Tax change/(credit) for earlier years	(0.31)	-
Total	233.45	116.96

Effective tax reconciliation

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

(₹ In Crore)		
Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Net Profit/(loss) before taxes	673.79	357.19
Enacted Tax Rate	34.608%	34.608%
Computed tax (income)/expense	233.19	123.61
Increase/(reduction) in taxes on account of:		
Additional allowance for tax purpose	(1.29)	(7.25)
Expenses not allowed for tax purpose	4.55	2.39
Deferred Tax recognized for earlier years	(0.57)	0.43
Current Tax recognized for earlier years	(0.96)	-
Effect of change in tax rate	(2.22)	0.27
Non taxable subsidiaries and effect of differential tax rate	0.75	(2.49)
Income tax expense reported	233.45	116.96

48. Operating lease

The Company has taken land and building under operating lease arrangement which is non-cancellable for a fixed period of 29 years. The lease rental expense is subject to escalation whereby the lessor is entitled to increase the lease rental by 5% after every three years.

The Company has taken another land and building under operating lease arrangement for a fixed period of 12 years. The lease rental expense is subject to escalation whereby the lessor is entitled to increase the lease rental by 5% every year and are usually renewable by mutual agreeable terms.

The schedule of future minimum lease rental payments in respect of non-cancellable operating leases is set out below:

(₹ In Crore)		
	As at 31.03.2018	As at 31.03.2017
Not later than one year	0.23	0.22
Later than one year but not later than five years	0.96	0.94
Later than five years	4.81	5.06
Rental expense recognised under such leases during the current year are ₹ 0.22 Crores (₹ 0.22 Crores).		

49. 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
Sales volume	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
Sales price	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term inflation forecasts for each territory.
Budgeted gross margin	Based on past performance and management's expectations for the future.
Other operating costs	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.
Annual capital	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.
Long-term growth rate	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.
Pre-tax discount rates	Reflect specific risks relating to the relevant segments and the countries in which they operate.

50. Segment reporting

- i) **Information about business segment (for the year 2017-18)**
Company operates in a Single Primary Segment (Business Segment) i.e. Stainless Steel products.
- ii) **Secondary segments (geographical segment)**

		(₹ In Crore)					
		2017-18			2016-17		
		Within India	Outside India	Total	Within India	Outside India	Total
1	Revenue	9,020.41	1,495.97	10,516.38	7,131.23	1,370.57	8,501.80
2	Non Current Assets*	2,374.64	-	2,374.64	2,480.73	-	2,480.73
*The company operating facilities are located in India							

51. Earning Per Share (EPS) computed in accordance with Ind AS 33 " Earning Per Share "

	For the year ended 31.03.2018	For the year ended 31.03.2017
Net Profit/(Loss) after tax as per P & L A/c (₹ in Crore)	578.04	286.65
Weighted average no. of equity shares for basic EPS (No's)	235,934,685	233,930,896
Add: weighted average of potential equity shares converted during the year (No's)	-	2,003,789
Weighted average no. of equity shares for diluted EPS (No's)	235,934,685	235,934,685
Basic EPS Per Share (in ₹)	24.50	12.25
Diluted EPS Per Share (in ₹)	24.50	12.15
Face Value Per Share (in ₹)	2.00	2.00

52. Interest in subsidiaries and associates

52.1 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 31.03.2018	As at 31.03.2017
Assets		
Non current assets	58.93	50.94
Current assets	169.55	149.43
Sub total	228.49	200.37
Liabilities		
Non-current liabilities	21.10	28.81
Current liabilities	155.08	141.00
Sub total	176.19	169.81
Equity attributable to owner's of the company (% of holding: 77.738%)	40.66	23.76
Equity attributable to non controlling interest (% of non controlling interest :22.262%)	11.64	6.80
		(₹ in Crore)
	For the year ended 31.03.2018	For the year ended 31.03.2017
Revenue	356.39	207.39
Net profit/(loss)	21.84	1.03
Other comprehensive income	(0.10)	(0.37)
Total comprehensive income	21.74	0.66
Total comprehensive income attributable to non controlling Interests	4.84	0.15

Particulars	₹ in Crore)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Net cash inflow/(outflow) from operating activities	15.16	17.18
Net cash inflow/(outflow) from investing activities	(10.14)	(1.35)
Net cash inflow/(outflow) from financing activities	(4.98)	(16.53)
Net cash inflow/(outflow)	0.04	(0.70)

52.2 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

Particulars	₹ in Crore)	
	As at 31.03.2018	As at 31.03.2017
Assets		
Non current assets	77.33	86.20
Current assets	265.74	251.25
Sub total	343.06	337.45
Liabilities		
Non-current liabilities	29.20	9.27
Current liabilities	190.21	234.44
Sub total	219.40	243.71
Equity attributable to owner's of the company (% of holding: 81.911%)	101.29	78.54
Equity attributable to non controlling interest (% of non controlling interest :18.089%)	20.61	15.20

Particulars	₹ in Crore)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Revenue	1,439.05	1,399.62
Net profit/(loss)	29.85	14.26
Other comprehensive income	0.07	0.02
Total comprehensive income	29.92	14.28
Total comprehensive income attributable to non controlling interests	5.41	2.58

Particulars	₹ in Crore)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Net cash inflow/(outflow) from operating activities	(15.14)	37.31
Net cash inflow/(outflow) from investing activities	1.66	(2.97)
Net cash inflow/(outflow) from financing activities	14.15	(34.36)
Net cash inflow/(outflow)	0.68	(0.02)

52.3 Material interest in associate: Jindal Stainless Limited

Country of incorporation & operation: India

Principal activities: Manufacturer /producer of stainless steel flat products in austenitic, ferritic, martensitic and duplex grades

	As at 31.03.2018	As at 31.03.2017
% of Ownership Interest	35.12%	42.13%
The above associate was accounted for using equity method in the consolidated financial statement.		
(₹ in Crore)		
	As at 31.03.2018	As at 31.03.2017
Non current assets	6,839.52	7,072.34
Current assets	3,324.81	3,198.53
Non-current liabilities	4,001.15	3,515.50
Current liabilities	3,811.56	5,014.16
(₹ in Crore)		
Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Revenue	11,009.08	8,982.95
Net profit/(loss)	318.27	58.34
Other comprehensive income	(0.57)	(0.26)
Total comprehensive income	317.70	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 31.03.2018	As at 31.03.2017
Net assets of the associate	2,351.62	1,741.21
% of share in associate	35.12%	42.13%
Share in net assets of associate (net of ₹ 296.02 Crores being fair value adjustment at the time of acquisition)	529.87	437.50
Other adjustments	(0.00)	19.62
Carrying amount of interest in associates	529.87	417.88

The associate had the following contingent liabilities (to the extent share in associate)

(₹ in Crore)		
	As at 31.03.2018	As at 31.03.2017
A. Contingent liabilities not provided for in respect of		
i) a) Sale tax/entry tax demands against which company preferred appeals.	49.79	62.75
b) Excise duty/custom/service tax show cause notices/ demands against which company has preferred appeals.	13.72	42.20
c) Income tax demands against which company has preferred appeals.	15.43	19.73
ii) 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.	2.43	2.76
B. Letter of comfort to banks against credit facilities/ financial assistance availed by subsidiaries.	-	21.79
C. 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.	-	-
D. Corporate Guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless (Hisar) Limited, amount for facilities outstanding as on 31st March'2018 ₹ 2,798.36 Crore (₹ 3,392.78 Crore).	982.78	1,429.38

52.4 Immaterial interest in associates:

Country of incorporation & operation: India

	% of Ownership interest as at	
	As at 31.03.2018	As at 31.03.2017
Jindal Stainless Corporate Management Services Private Limited	50%	50%
J.S.S. Steelitalia Limited	33%	33%
(₹ in Crore)		
	As at 31.03.2018	As at 31.03.2017
Carrying amount	1.21	0.52
Profit & loss from continuing operation	0.90	(1.56)
Post tax profit or loss from discontinuing operation	-	-
Other comprehensive income	(0.20)	(0.05)
Total comprehensive income	0.70	(1.61)

46. 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
Sales volume	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
Sales price	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term inflation forecasts for each territory.
Budgeted gross margin	Based on past performance and management's expectations for the future.
Other operating costs	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.
Annual capital	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.
Long-term growth rate	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.
Pre-tax discount rates	Reflect specific risks relating to the relevant segments and the countries in which they operate.

47. Segment reporting

- i) **Information about business segment (for the year 2017-18)**
 Company operates in a Single Primary Segment (Business Segment) i.e. Stainless Steel products.
- ii) **Secondary segments (geographical segment)**

		(₹ In Crore)					
		2017-18			2016-17		
		Within India	Outside India	Total	Within India	Outside India	Total
1	Revenue	9,020.41	1,495.97	10,516.38	7,131.23	1,370.57	8,501.80
2	Non Current Assets*	2,374.64	-	2,374.64	2,480.73	-	2,480.73
	*The company operating facilities are located in India						

JINDAL STAINLESS (HISAR) LIMITED**Notes to the consolidated financial statements for the year ended 31st March 2018**

55. Previous years' figures have been re-arranged and regrouped wherever considered necessary. Figures less than 50000 have been shown as absolute number. Figures in bracket indicate previous year figures.
56. Note 1 to 56 are annexed to and form integral part of the balance sheet and statement of profit & loss.

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: 26th April 2018			

FORM AOC-1 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

(₹ in 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-18	INR	17.17	106.49	343.06	219.40	9.71	1,469.61	43.67	13.82	29.85	-	81.911%
JSL Lifestyle Limited	31-Mar-18	INR	28.50	23.80	228.49	176.19	0.02	359.49	29.09	7.25	21.84	-	77.738%
Green Delhi BQS Limited	31-Mar-18	INR	0.10	(102.90)	3.22	106.02	-	-	(1.97)	-	(1.97)	-	68.880%
JSL Media Limited	31-Mar-18	INR	0.05	(33.42)	4.53	37.90	-	-	(0.22)	-	(0.22)	-	99.940%
JSL Logistics Limited	31-Mar-18	INR	0.05	0.50	0.78	0.23	-	1.43	(0.07)	0.00	(0.07)	-	100.000%

Name of associate	Latest audited balance sheet date	Shares of associate held by the company on the year end					Share in total comprehensive income				
		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	Description of how there is significant influence	Reason why the associate is not consolidated		
J.S.S.Steelitalia Limited	31-Mar-18	7713190	7.71	33.00%	-	-	(5.67)	% Holding	NA		
Jindal Stainless Corporate Management Services Private Limited	31-Mar-18	5000	0.01	50.00%	1.22	0.70	0.70	% Holding	NA		
Jindal Stainless Limited	31-Mar-18	168284309	366.19	35.12%	865.78	151.88	206.67	% Holding	NA		

RATAN JINDAL Chairman	ASHOK GUPTA Whole Time Director	ANKUR AGRAWAL Chief Financial Officer	BHARTENDU HARIT Company Secretary
PLACE: New Delhi DATED: 26th April 2018			

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. for Investors: investorcare.jshl@jindalstainless.com

Website: www.jshlstainless.com

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

E-COMMUNICATION REGISTRATION FORM

To,

Link Intime India Private Limited
[Unit: Jindal Stainless (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]

Name of the Company: Jindal Stainless (Hisar) Limited

(CIN: L27205HR2013PLC049963)

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

1. Name: Address:
Email Id.: Signature: or failing him
2. Name: Address:
Email Id.: Signature: or failing him
3. 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 5th Annual General Meeting of the Company, to be held on the **27th day of September, 2018 at 12.30 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:

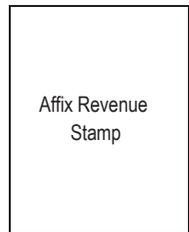
Sr. No.	Resolution	For	Against
1	To receive, consider and adopt Standalone and Consolidated Financial Statements of the Company for the financial year ended 31 st March, 2018 including Report of Board of Directors and Auditors.		
2	To appoint Director in place of Mrs. Deepika Jindal (DIN:00015188), who retires by rotation and being eligible, offers herself for re-appointment.		
3	Appointment of Mr. Abhyuday Jindal as the Managing Director of the Company.		
4	Appointment of Mr. Jagmohan Sood as Director.		
5	Appointment of Mr. Jagmohan Sood as the Whole Time Director of the Company.		
6	Appointment of Mrs. Arti Luniya as an Independent Director.		
7	Reappointment of Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) as an Independent Director.		

8	Approval for payment of commission to Mr. Ratan Jindal, Chairman (Non-Executive) of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.		
9	Ratification of remuneration payable to M/s Ramanath Iyer & Co., Cost Accountants, as Cost Auditors of the Company, for the financial year 2018-19.		
10	Increase in the aggregate limit for investment into the Company by the Foreign Portfolio Investors ("FPIs") upto 100% of the paid-up equity share capital of the Company on a fully diluted basis.		
11	Authority to enter into material related party contracts/ arrangements / transactions.		
12	Ratification of material related party contracts /arrangements/ transactions entered into during the financial year 2017-18.		

Signed this day of September, 2018

.....
Signature of shareholder

.....
Signature of Proxy holder(s)

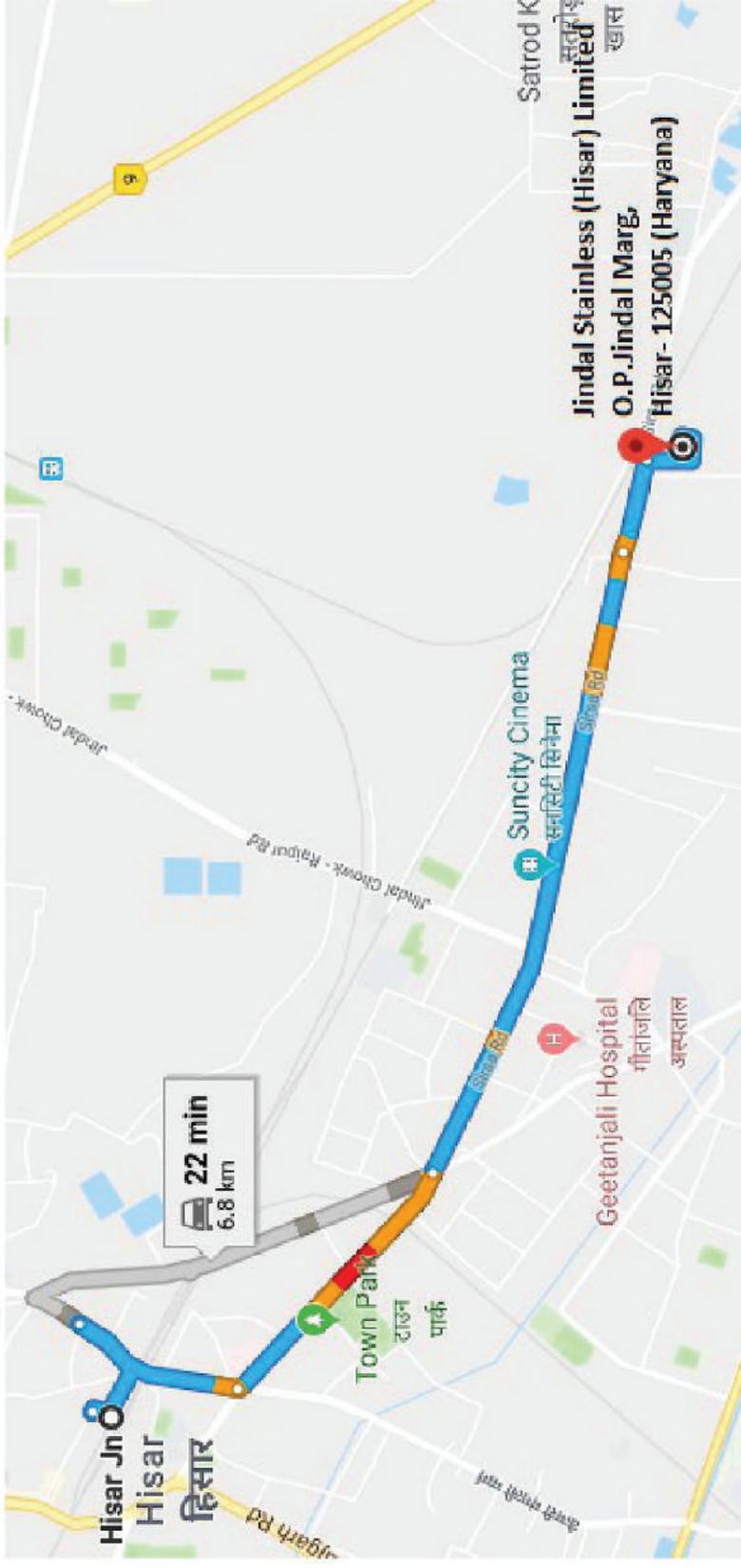


Notes:

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

Venue of the Annual General Meeting

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



CORPORATE OFFICE

Jindal Centre
12, Bhikaiji Cama Place,
New Delhi - 110066, India
Phone : +91 - 011 - 26188345 - 60
Fax : +91 - 011 - 26170691, 26161271
Email : info@jindalstainless.com
Websites : www.jindalstainless.com, www.jshlstainless.com

REGISTERED OFFICE

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

MANUFACTURING FACILITIES

HISAR

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

KOTHAVALASA

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

JSL
JINDAL STAINLESS

Shaping a Stainless World



BUSINESS RESPONSIBILITY REPORT 2017-18

Jindal Stainless (Hisar) Limited
(JSHL)

Introduction

In an age where enterprises are increasingly seen as critical components of the social system, they are accountable not only to their shareholders from a revenue and profitability perspective but also to the larger society which is also its stakeholder. Hence, adoption of responsible business practices in the interest of the social set-up and the environment is as important as their financial and operational performance.

Ministry of Corporate Affairs, Government of India, developed the 'National Voluntary Guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business' in 2011. These guidelines contain comprehensive principles to be adopted by companies as part of their business practices.

Further, Securities and Exchange Board of India (SEBI) has mandated top 500 listed companies of India by market capitalization to publish a Business Responsibility Report (BRR) based on NVG under SEBI Regulation 34(2) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR").

Business Responsibility Report serves as a tool to communicate the performance of organization on Economic, Social and Governance (ESG) parameters to its stakeholders. It also motivates the company to measure, disclose, and be accountable for organizational performance while working towards the goal of responsible and sustainable development.

JSHL is delighted to present its second BRR which has non-financial disclosures for the Financial Year (FY) 2017-18. This report is developed in-line with the 'suggested framework' by SEBI.

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L27205HR2013PLC049963
2. Name of the company	Jindal Stainless (Hisar) Limited
3. Registered Address	<u>Registered Office:</u> O.P. Jindal Marg Hisar – 125 005, Haryana, INDIA
4. Website	http://jshlstainless.com/
5. E-mail ID	info@jshlhr.com
6. Financial year reported	2017-2018
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of Stainless Steel (2410)
8. List three key products/services that the company manufactures/provides.	1) Hot Rolled Stainless Steel Products 2) Cold Rolled Stainless Steel Products 3) Stainless Steel Plates
9. Number of locations where business activities are undertaken by the company 1) Total number of International locations 2) Total number of National locations	Jindal Stainless (Hisar) Limited (JSHL) mainly operates in India with plants located at Hisar and Visakhapatnam. <u>Major sales offices of the company are at :</u> 1) Gurgaon 2) Kolkata 3) Mumbai 4) Ahmedabad 5) Baroda 6) Pune 7) Bangalore 8) Chennai 9) Hyderabad 10) Bhubaneswar
10. Markets served by the company Local/State/National/International	JSHL is one of the largest domestic stainless steel producers and has global footprints that serve both National and International Markets and sectors like: <ul style="list-style-type: none">• Automobile• Transport• Railway• Architecture• Building and construction• Process engineering• Consumer durables

Section B: Financial Details of the Company

- | | |
|--------------------------------------------------------------------------------------------------|------------------------|
| 1. Paid Up Capital (INR) | ₹ 47,18,69,370 |
| 2. Total Turnover (INR) | ₹ 9,450.23 crores |
| 3. Total Profit after Taxes (INR) | ₹ 395.70 crores |
| 4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%) | ₹ 2,50,61,668
0.63% |
5. List of activities in which the expenditure in 4 above has been incurred.
JSHL has been involved in following major activities:
- Promoting Gender Equality and women empowerment
 - Rural Development
 - Integrated health
 - Promoting Education and enhancing vocational skills

Section C: Other Details

1. Does the company have any Subsidiary Company/Companies?

Yes, JSHL has 5 subsidiaries:

- JSL Lifestyle Limited
- Jindal Stainless Steelway Limited
- JSL Logistics Limited
- Green Delhi BQS Limited
- JSL Media Limited

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

No.

3. Do any other entity / entities (e.g. Supplier, distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? (Less than 30%, 30 – 60% and More than 60%)

At JSHL, although we are not directly involved in the BR initiatives of entities we engage with, we encourage all our business partners to make business responsibility a part of their agenda.

Section D: BR Information

1. Details of Director/Directors responsible for BR **

- Details of the Director/Director responsible for implementation of the Business Responsibility policy/policies

Name	DIN Number	Designation
Mr. Jagmohan Sood #	08121814	Whole Time Director

b) Details of the Business Responsibility Head **

DIN Number (if applicable)	08121814
Name	Mr. Jagmohan Sood
Designation	Whole Time Director
Telephone number	+91 1662 222471
e-mail id	jsood@jshl.in

Mr. Jagmohan Sood, has been appointed as Whole Time Director of the Company w.e.f. 15th May, 2018

**Currently, at JSHL, we do not have an in-house structure to implement our policies, however, we have initiated the process of nominating a Director as an Implementer of the policies. We are also in the process of nominating a BRR Head. The Implementer shall review the policy implementation and this shall serve as a mechanism for us at JSHL to effectively implement our policies.

2) Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for?	Y	Y	Y	Y	Y	Y	N*	Y	Y
	At JSHL, we currently have policies in place, which directly and indirectly address 8 out of the 9 NVG Principles.									
2	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	N*	Y	Y
	All of JSHL's policies are formulated after careful consideration and after consultation with key managerial personnel and relevant representatives of our stakeholder groups, who act in the best interest of our stakeholders.									
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	N*	Y	Y
	Most of JSHL's polices are formulated as mandated under SEBI's Listing Obligations and Disclosure Requirements and they are compliant with the Principles of National Voluntary Guidelines.									

4	<p>Has the policy been approved by the Board?</p> <p>If yes, has it been signed by the MD/ owner/ CEO/ appropriate Board Director?</p>	<table border="1"> <tr> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>N*</td> <td>Y</td> <td>Y</td> </tr> </table>	Y	Y	Y	Y	Y	Y	N*	Y	Y	<p>All JSHL's existing policies have been approved by the Board and signed by relevant authorities.</p>
Y	Y	Y	Y	Y	Y	N*	Y	Y				
5	<p>Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?</p>	<p>Currently, at JSHL, there is no specific committee of the Board to oversee the implementation of the policies; however, we have initiated the steps to nominate a Director as a Policy implementer who will oversee the implementation of the policies.</p>										
6	<p>Indicate the link to view the policy online?</p>	<table border="1"> <tr> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>N*</td> <td>Y</td> <td>Y</td> </tr> </table>	Y	Y	Y	Y	Y	Y	N*	Y	Y	<p>JSHL's policies relating to our external stakeholders can be viewed on the website at http://jshlstainless.com/boardofdirectors.html</p> <p>Our policies relating to our employees - our internal stakeholders, are available on J-Connect - an internal website, which our employees have access to.</p>
Y	Y	Y	Y	Y	Y	N*	Y	Y				
7	<p>Has the policy been formally communicated to all relevant internal and external stakeholders?</p>	<table border="1"> <tr> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>N*</td> <td>Y</td> <td>Y</td> </tr> </table>	Y	Y	Y	Y	Y	Y	N*	Y	Y	<p>JSHL's policies relating to external stakeholders can be viewed on the website at http://jshlstainless.com/corporategovernance.html</p> <p>Our policies relating to our employees - our internal stakeholders, are available on J-Connect - an internal website, which our employees have access to.</p> <p>Our website also has a 'Contact' section which serves as a platform for our stakeholders to contact us regarding any queries they may have.</p>
Y	Y	Y	Y	Y	Y	N*	Y	Y				
8	<p>Does the Company have in-house structure to implement its policy/policies?</p>	<p>Currently, at JSHL, we do not have an in-house structure to implement our policies, however, we have initiated the process of nominating a Director as an Implementer of the policies. We are also in the process of nominating a BRR Head. The Implementer shall review the policy implementation quarterly and this shall serve as a mechanism for us at JSHL to effectively implement our policies.</p>										
9	<p>Does the Company have a grievance redressal mechanism</p>	<p>At JSHL, we have a Stakeholders Relationship Committee at the Board level, which addresses the grievance of our</p>										

	related to the policy/policies to address stakeholders' grievances related to policy/policies?	shareholders. Additionally, we also have a Whistle Blower policy which covers all our stakeholders' grievances.								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	N*	Y	Y
		JSHL's Secretarial auditors review majority of the policies which are formulated as per SEBI requirements and also checks for compliance. JSHL's Internal auditors also review processes and policies and also cover implementation and makes notes of any deviations from the policies.								

**Currently, JSHL does not have a formal policy in place to address public advocacy (P7 of NVG). However, it is our belief that our Code of Conduct does cover aspects of Responsible advocacy of public policy, like ethics and integrity.*

b) If answer against any principle, is 'No', please explain why: (Tick up to 2 options):

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done in the next 6 months									
5	It is planned to be done in the next year									
6	Any other reason (please specify)							Currently at draft stage		

3. Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

JSHL assesses its BR performance annually.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

JSHL annually publishes Business Responsibility Report. These reports are on Company's website - <http://jshlstainless.com/>.

Section E: Principle Wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

Yes, at JSHL, all our internal stakeholders are subjected to work within the boundaries of ethical conduct and anti-corruption practices. We also encourage our suppliers and contractors to follow ethical and anti-corruption practices.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

No complaint was received during the past financial year related to ethics, transparency and accountability.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.**

JSHL, being a major producer of Stainless Steel, we incorporate sustainability initiatives in our operations. In an effort to reduce resource consumption, waste generation and hence reduce our

impact on the environment, we use stainless steel scrap as one of the raw materials in the production of the following stainless steel products:

1. Hot rolled coils
2. Cold rolled coils
3. Sheets

2. For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.

(i) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

(ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Specific Energy Consumption Data

Sr.	Parameters	Unit of Measurements	2013-14	2014-15	2015-16	2016-17	2017-18
1	Specific Electrical Energy Consumption	kWh/Ton of production	1037.2	1002.4	993.05	1002.14	957.61
2	Specific Thermal Energy Consumption	kJ/kg of Production	5941.28	5759.28	5547.98	5511.87	4977.01

We have been successful in reducing the consumption of energy from last year.

We continue to concentrate our efforts on reducing the energy consumption by increasing focus on sustainable production practices.

Stainless Steel is a unique material, vital to almost every aspect of modern life. It is durable, reusable, and recyclable, thus, a permanent material. All stainless steel, even stainless steel created a century ago, can be recycled today and used in new products and applications. This makes Stainless steel a sustainable material which can enable a transition to resilient low carbon economies.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.

At JSHL, in an effort to reduce resource consumption and our impact on the environment across our value chain, we use stainless steel scrap as one of the key raw materials in the production of our

products. We also aspire to channel our efforts into sourcing our other raw materials in a sustainable manner in the future.

- 4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, JSHL promotes procurement of goods and services from local vendors and small producers. This is primarily done while hiring equipment and services, as well as procuring minor raw materials, stationary items and food supplies. By ensuring local procurement wherever possible, we contribute to the improvement of local economies.

- 5. Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?**

At JSHL we pursue the policy of four R's -- Recycle, Reduce, Reuse and Recover that minimizes the risk of solid waste contamination. The main objective of our company is to transform solid waste into wealth in order to benefit from it. We have developed an Integrated Solid Waste Management System for storage and disposal of solid waste. Waste generated from our operations include Pollution Dust, Scrap, End Cuttings, Slag, Neutralized Cake and Reject Products, Furnace Scale being properly collected and sent to SAF plant for recovery of metal. All the end cuttings, reject products are collected in well-identified waste bins as per grades and reprocessed in Steel Melting Shops.

Principle 3: Businesses should promote the wellbeing of all employees

- 1. Please indicate the total number of employees**

2221 employees

- 2. Please indicate the total number of employees hired on temporary/ contractual/casual basis.**

3346 employees

- 3. Please indicate the number of permanent women employees.**

11 employees

- 4. Please indicate the number of permanent employees with disability.**

4 employees

- 5. Do you have an employee association that is recognized by management?**

No

6. What percentage of your permanent employees are a member of this recognized employee association?

Not applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

We did not receive any complaints related to child labour, forced labour, involuntary labour, and sexual harassment during the reporting period.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

At JSHL, we place high importance on the safety of our employees and to ensure this, 100 % of our employees received health and safety training.

At JSHL, we also encourage constant learning as well as personal and professional development. To achieve this, we provided skill up-gradation to 60-65% of our employees. We continue to focus our efforts on training our employees and add holistic value.

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged, vulnerable, and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes. At JSHL, we have identified investors, shareholders, employees, local communities, civil societies, NGOs, legal institutions, trade associations, media, suppliers, business partners, customers, dealers, government, regulators and competitors as its key stakeholder groups. Engagement responsibility for each stakeholder group is entrusted with specific teams within our company.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, we have identified vulnerable and disadvantaged section through our CSR programs. Focus has been given to women from low income group and special skill training programs have been developed for them.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable, and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Women, children, adolescent girls, marginal farmers, downtrodden/underprivileged sections of the demography residing in the peripheral areas/villages of the company have been identified in due course of need assessment and socio economic studies conducted at various times. The CSR initiatives taken up for the same are Farmers Development Project to improve income of the

farmers, women empowerment projects, ZMQ MIRA channel to create awareness on prenatal and post-natal care targeting women and adolescent girls, Sanitary Napkin Making Unit to change traditional un-hygienic behavior, Early Childhood care and education projects etc.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

At JSHL, we respect human rights and the policy is embedded in our Company's Code of Conduct. However we do not have a separate standalone Human Rights Policy and we are currently in the process of working towards formulating one. We recognize and address the issues relating to Business and Human Rights as per the United Nations Guiding Principles on Business & Human Rights and we selectively highlight these to our senior management. We also support and encourage the following of best human rights practices with our business associates.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

We have received no complaints regarding violation of human rights, during the reporting period.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

Yes, at JSHL, we have a well-defined Environment Policy, and it extends to both our plants. With respect to the suppliers and contractors, environmental rules and regulations are clearly stated in the general terms and conditions of the order/ contract. All our plants manage environment related activities as per ISO 14001.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes. At JSHL, we incorporate environmental concerns into all our activities. Being an energy intensive industry, we understand our responsibility towards global environment issues. We are currently developing a climate change strategy which includes various measures to improve energy performance both in the immediate future and in the long run.

Our efforts to reduce emissions are highlighted below:

- a. We continue to improve current processes & benchmark with the best practices within the steel industry.
- b. We have set ourselves the target to reduce our carbon foot print every year by 10%. Our specific GHG emission have reduced from 3.92 to 2.89 in last three years, which is less than the International Level of GHG Emission by Stainless Steel Plant i.e. 2.90, as compiled by ISSF.

Usage of renewable energy resources:

- c. JSHL installed Solar Photovoltaic Power System of 400KWp in year 2017-18. Total Capacity has become 650KWp. This will generate approximately 9, 75,450 kWh per year and also help in reduction of 7, 92,065 kg CO2 emission per year.

Adoption of energy efficient technologies:

- d. Investing in breakthrough technologies to reduce energy consumption during production, which are more efficient e.g. All Furnace Oil fired Furnaces are modified to Propane/LPG Gas. Modified air circuit to reduce compressed air consumptions. VVVF drives on ID fans reduced energy consumption.

Developing new products and services to reduce environmental impact over the product lifecycle:

- e. Our R&D team is continuously working own development of such grade, which are produced by low GHG emission.

Creating awareness at all levels and functions.

- f. We believe that awareness is most important in order to achieve any target. We organize various programs to create awareness about CDM and, GHG reduction within our plant as well as for the communities.

3. Does the company identify and assess potential environmental risks? Y/N

Yes, as part of ISO 14001, ISO 9001 and OHSAS 18001 certifications, at JSHL, we undertake continuous assessment of the potential environmental risks. We also undertake internal and external audits under ISO 14001 to assess the implementation of our environment related activities.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Yes, we do have Clean Development Mechanism Project, which focusses on harnessing solar energy. We installed Solar Photovoltaic Power System of 400KWp in 2017. This will generate approximately 5, 50,400 kWh per year and also help in reduction of 446925 kg CO2 emission per year. Total Capacity now increased to 650 KWp, generates 975450 KWp in a year and reduce CO2 emission 792065 kg/year.

System Specifications for additional 400 Kwp are-

- 1196 photovoltaic Cells
- 335Wp capacity per cell
- No. of inverters- 15 (15,20,30 & 50 kw)

- 5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.**

Yes. We have a 650 Kpw Solar Plant Installed in 2017. We are also working towards expanding the capacity of the plant to 850 KWp. In addition, work is going on for PPA of Renewable energy.

- 6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, the emissions/waste generated by JSHL is within the permissible limits given by CPCB/SPCB.

- 7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

We do not have any Show Cause Notice from CPCB/ SPCB is pending.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

- 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

No, JSHL is not part of any major trade and chamber or associations.

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

No

Principle 8: Businesses should support inclusive growth and equitable development

- 1. Does the company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

At JSHL, we have a number of programs for our marginalized stakeholders with the aim of supporting inclusive growth. These programs have been listed in sub section 2 below.

2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

All our projects and programs are covered under Jindal Stainless Foundation. Our CSR teams undertake direct projects and also ensure implementation through NGO partners.

1. Hole in the Wall Project was carried out with NIIT Foundation where 2 learning stations was established in school and in slum area.
2. Save the girl Child Project was carried out by Pathfinder International, Institute of Social Services and Abhinaya Rangmanch.
3. In Health Project – HIV /AIDS awareness was done in collaboration with Government ICTC and with Modicare Foundation.
4. Organic Farming Project was carried out directly by the Company staff where 25 farmers were trained through professionals for growing organic produce.
5. Agriculture Development Project was carried out with support from Gram Unniti Foundation.
6. Safe Drinking Water Project was initiated in 2 Government School in collaboration with Sarvajal - Piramal.
7. Smart Class white board was installed in various locations in Government school.

3. Have you done any impact assessment of your initiative?

Yes, JSHL has conducted its impact assessment of CSR activities through a third party evaluator "SROI". The impact assessment report is available on the company's website. The third party evaluator gave feedback on the initiatives undertaken, impact on the lives of the stakeholders and improvements required.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Projects undertaken	Amount spent in INR
Promoting Education and enhancing vocational skills	66,80,998
Promoting Gender Equality and Empowering Women	36,58,301
Ensuring Environment Sustainability and Ecological Balance	7,29,084
Promoting Preventive Health	24,51,001
Rural Development Programs	1,06,24,398
Administrative Expenditures	9,17,886
TOTAL	2,50,61,668

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

For successful implementation and adoption of our community projects, we consult and engage with all appropriate stakeholders, right from the inception of the projects. Communities are also involved in delivery, as well as monitoring phases of the programs.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

- 1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

There are no major customer complaints pending. Minor customer complaints received during the course of regular operations are resolved by appropriate departments.

- 2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

The Labeling on our Products is done as per the requirements stipulated under various Standards such as ASTM/ASME/EN/BIS etc. Our labelling also meets the norms of Taxation & Weights and Measures Department and is audited by authorities from time to time. In addition, we provide standard information as required by our customers.

- 3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

No

- 4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

Yes