JINDAL STAINLESS

JSL:2018:
October 26, 2018

BSE Limited
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai – 400 001
Email: corp.relations@bseindia.com
Security Code No.: 532508

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot no. C/1, G Block
Bandra-Kurla Complex, Bandra(E),
Mumbai-400051
Email: cmlist@nse.co.in
Security Code No. : JSL

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 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 Limited**

JINDAL STAINLESS LIMITED

Navneet Raghuvanshi
Company Secretary

JSL
JINDAL STAINLESS
Shaping a Stainless World

Breaking New Ground

ANNUAL REPORT 2017-18
JINDAL STAINLESS LIMITED







Breaking New Ground

Stainless Steel is a part of our daily lives. From a safety pin to the Metro, there is nothing it hasn't touched, and with each passing day it finds new purposes and benefits. Stainless Steel is breaking new ground and so are we.



Aerial view of Jindal Stainless Ltd., Jaipur, Odisha

WHAT'S INSIDE

CORPORATE PROFILE

Vision & Mission	02
Founding Principles	04
Chairman Speaks	06
From the Managing Director's Desk	07
JSL Highlights	08
New Product Applications	09
Infrastructure Facilities	11
Product Basket	12
Harnessing the Power of IT	16
Awards & Accolades	17
Unleashing People Power	18

SUSTAINABLE INITIATIVES

Philosophy of Sustainable Development	20
CSR Activities	23



STATUTORY REPORTS

Notice for AGM	28
Director's Report	46
Corporate Governance Report	80
Management Discussion & Analysis	96

FINANCIAL REPORTS

Independent Auditor's Report	108
Balance Sheet	116
P&L Statements	118
Cash Flow Statements	120
Notes to Financial Statements	124
Consolidated Financial Statements	180

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

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

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



Innovative Practices

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

Strong Capabilities

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

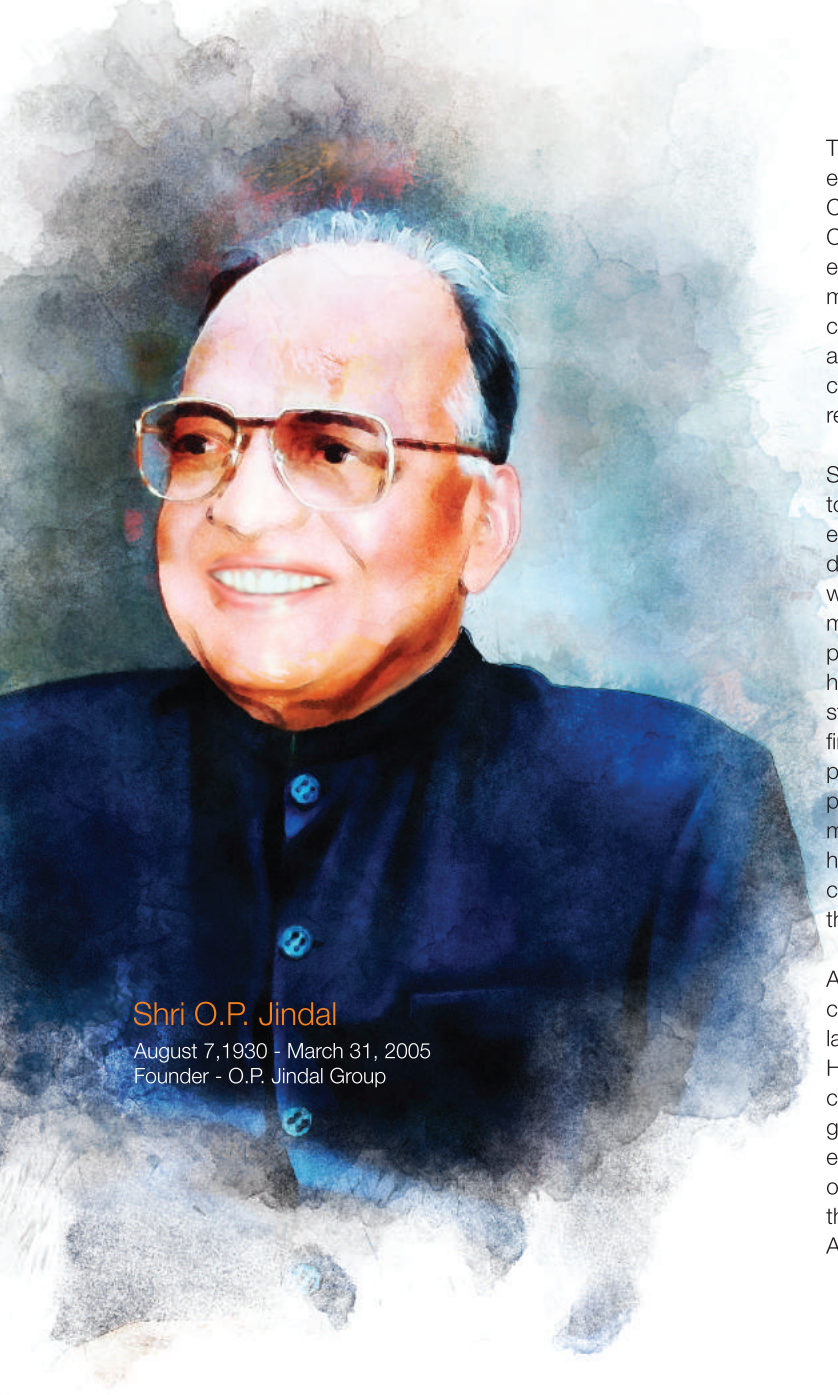
High Quality

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 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 of steel buckets and steel pipes, and finally, to establishing a stainless steel plant. Today, the Company boasts of providing stainless steel solutions of myriad 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 Limited (JSL), 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.



"We have focused on what the community needs and NOT what the Company thinks the community needs. I believe this is critical to all community engagements and I am sure such interventions will have a direct positive impact on the community."

Smt. Savitri Devi Jindal

Chairperson Emeritus

It gives me immense pleasure to see Jindal Stainless Limited (JSL) flourish and march resolutely towards sustainable development. At JSL, our primary asset are our people and I am happy to share that despite all odds, our Corporate Social Responsibility (CSR) initiatives have only grown since we have embarked on the journey – 'To improve lives through trustworthy and innovative stain-less solutions'.

Our latest CSR initiatives that have been undertaken are based on need assessments, which have been derived from base line surveys. Hence, this is truly a 'bottom up' approach. We have focused on what the community needs and NOT what the Company thinks the community needs. I believe this is critical to all community engagements and I am sure such interventions will have a direct positive impact on the community.

I am particularly happy to note that farmers are being encouraged to double their income through innovative ways and I wish this new and impactful initiative all the success. This has happened not because of doubling farmers' production capacities but because of reducing input costs, improving logistics and better crop management, with great emphasis on building farmers' capacities through processes like knowledge sharing.

When our CSR initiatives were in the nascent stage, we realized we could branch out in any direction. **Courage is like a muscle. You can only strengthen it by use.** We chose to exercise our power towards women empowerment. I am of the belief that by empowering a woman, you empower a family and in turn, empower the community.

With innovative projects around education, skill development and entrepreneurship, I feel encouraged to see how communities have transformed their lives, which is visible on the faces of the women with whom I interact. The financial independence and confidence gained by these communities, supported by programs carried out by our CSR teams across locations, is an indicator of a robust and effective community governance structure. The women self help groups, which have been started in the remote areas of Odisha, are now engaged in micro-credit activities and are taking loans from small and large banks.

'Project ASMITA', a flagship women entrepreneurship development project, has earned a name for itself and its case studies and stories need to be shared and replicated across geographies. In this project, a small number of women have trained other women in various technical processes, from sourcing and product development, to product design and marketing. Such processes are great indicators of exemplary project outcomes. 'Project SAHAJ', managed by a self help group, is a mini sanitary napkins manufacturing unit. This is a magnificent example of promoting good health and hygiene practices among women in the community.

In addition, education and healthcare have been core indicators of social development and JSL has opened **Learning Centres** for children out of schools, to invest in the future of our society. In addition, computer literacy programs and tuition centers are also administered for the economically underprivileged sections of the society. In the healthcare sector, JSL has mobile clinics and programs addressing the issue of female foeticide.

Seeing the overarching excellence pursued by JSL in such a short span, there has been a consistent emphasis on going **beyond business**. It gives me hope when we look at the larger picture and focus on the greater good of the society. Finally, I thank you for your continued trust, confidence and support.

CHAIRMAN SPEAKS



Ratan Jindal

Chairman & Managing Director

Dear Shareholders,

The year gone by marked the beginning of a new chapter for Jindal Stainless Limited (JSL), with special emphasis on sustainable growth and ambitious initiatives for a stronger institution hereon. I convey my gratitude to all our stakeholders who have been a partner in JSL's progress, including our employees for their commitment and conviction. We hope to create value through profitable growth in future too.

Stainless steel industry is growing annually at 5-6% for over two decades and this growth trajectory is expected to be maintained in the next few years as well. Automobile, Railway & Transport (ART) and Architecture, Building & Construction (ABC) sectors have contributed significantly in increasing our domestic stainless steel usage and will continue to generate healthy demand in the future as well. To feed the growing demand of our developing economy, we are targeting to scale up our stainless steel melting capacity through debottlenecking and process balancing.

Our Company continues to focus on cost control measures, improving asset utilisation, reducing debt levels and increasing productivity. JSL's strategic focus areas are retention of market leadership in our core product categories and building technical capabilities in response to the market dynamics. Besides this, we aim to leverage advancement in technology and innovation to enhance our competitive advantages.

Our R&D capabilities have enabled us to foray into new age applications of stainless steel. JSL will now also cater to marine, commercial transport and elevator segments in addition to the existing portfolio. I am also happy to share that our stainless steel products are now certified by Japanese Industrial Standard (JIS). This certification will enable us to market our products in Japan and East-Asian Countries as well.

However, owing to volatility and increased protectionism in the global economy, we may face some challenges in the short-term. Safeguard action by EU and imposition of Section 232 by USA will result in diversion of trade flows to the Indian subcontinent. It is high time that the Indian government also took such bold measures to protect the interests of local manufacturers.

Although the government has imposed Countervailing Duty (CVD) on stainless steel imports from China, the duty is being circumvented with imports now routed through Free-Trade Agreement (FTA) ASEAN countries like Indonesia and Vietnam. This is creating huge trade imbalances for domestic players and widening India's trade deficit with these countries. Nations like China, Japan and Korea are riddled with excess capacities, resulting in surplus production which is dumped in growing markets like India. Further, their FTAs with Indonesia have only added to the problem. The ongoing Regional Comprehensive Economic Partnership (RCEP) negotiations, which envisage tariff-free imports, will further enable dumping of their excess capacities in India. In view of the aforementioned developments, it is imperative that the government reviews all the existing FTAs and keeps stainless steel out of the purview of any tariff concessions proposed under RCEP.

The Indian stainless steel industry also struggles with 2.5% import duty on ferro-nickel and stainless steel scrap, both of which are not available domestically. Further reducing the competetiveness of domestic players is the low Basic Custom Duty (BCD) imposed on stainless steel goods at only 7.5%, as opposed to the corresponding figure for carbon steel at 12.5%. This combination of import duties on raw materials and low levels of protection in terms of BCD places the domestic industry at a strategic disadvantage. This problem is further compounded by the inverted duty structure brought about by the FTAs signed with Japan and Korea. There is a compelling need to enforce corrective measures in the aforementioned areas to provide a much needed level playing field to the domestic players and enable them to compete on even terms with the rest of the world.

It is vital for businesses today to re-imagine their role in the society. At JSL, we strongly believe that a company can thrive only on the foundation of sustainable development. Therefore, sustainability and environment consciousness remain at the heart of our Company's operating strategy. The tradition of caring for our communities and stakeholders through Corporate Social Responsibility programmes was intensified during 2017-18 through promotion of education, women empowerment and gender equality and several health care initiatives. I am also delighted to share that our rigorous efforts have helped us strengthen our balance sheet and we will exit the Corporate Debt Restructuring scheme soon.

I extend my heartfelt gratitude to all our stakeholders for their generous support. I am thankful to all our trusted business partners, esteemed customers, faithful shareholders, reliable bankers, experienced board members, and our passionate and committed employees for their unwavering trust and confidence in the company. I look forward to your continued support in future and hope that we achieve many more milestones together.

FROM THE MANAGING DIRECTOR'S DESK



Abhyuday Jindal
Managing Director

Dear Shareholders,

It is a pleasure to bring out the Annual Report of Jindal Stainless Limited (JSL) for the Financial Year 2017-18. The turnaround story that your Company started scripting in the previous year, took off to achieve stable and steady growth levels in FY18. We place on record our sincere gratitude to our valued shareholders for being with us in this momentous journey.

Over the years, the various initiatives undertaken by your Company have helped it create a strong business which is well positioned to capitalize on the enormous industry growth potential. JSL recorded a robust revenue growth of 30% in FY18 over previous year. Your Company's net revenues in FY18 stood at Rs 10,785 crore (standalone). This was driven by a 21% jump in sales volume over FY17, with sales exceeding 778,000 MT. Consistent volume ramp-up saw stainless steel melt production go up by 10% over previous year at 797,156 MT in FY18. On a standalone basis, your Company's profit after tax (PAT) registered nearly six times increase: from Rs 58 crore in FY17 to Rs 318 crore in FY18. Taken together with its subsidiaries, the revenue grew by 25% to Rs 11,638 crore and PAT by almost 4 times.

The initial challenges which we faced to optimize our capacity, were successfully overcome through various internal initiatives undertaken by the Company. Today, JSL has been able to successfully ramp up its production levels to full capacity. Over the years, a host of small and continuous improvements were undertaken, right from the raw material handling system to the cold rolling mills, to achieve this performance. The zeal to enhance working practices and performance efficiencies translated into quality and cost advantages for customers across all segments.

Your Company's customers remained the hinge on which business decisions were taken. Through dedicated and researched efforts to keenly observe, understand, and therefore predict customer psyche, your Company remained agile to customer needs. JSL undertook a digitization drive like no other manufacturing peer in India. Your Company implemented Cloud for Customer (C4C), an analytics platform composed of SAP Cloud for sales, which intensively aided sales growth. New grades and finishes of stainless steel products were developed to further usage in marine applications, for handling material in coal industries, for waste handling by municipal corporations, for high temperature tube applications, for outer panels of metro rail, and for use in defence for mine protected vehicles, among others.

Based on a financial projection that exceeded CDR projections, your Company also applied to exit CDR, and prepaid over Rs 5,400 crore of long term debt to lenders. I am happy to share that recently, CARE revised its rating of JSL from BB+ to BBB-, declaring the Company investment worthy. This development acknowledges your Company's long track record and strong position in the domestic market. Additionally, the revision in rating testifies JSL's leading position in the stainless steel space, with a diversified product portfolio and strong financial profile.

It is important to note that your Company moved from strength to strength despite a challenging trade environment. Though the Indian Government imposed countervailing duty (CVD) in September last year on imports of stainless steel from China, the duty started getting circumvented as Chinese material started getting routed through other free-trade agreement (FTA) countries such as Indonesia, Malaysia and Vietnam in various forms. Towards the end of FY18, the US Government levied 25% duty on steel import, which triggered protectionist measures by countries across the globe.

In order to get a level playing field with subsidized imports, JSL has appealed to the Government to ensure that the FTA route is not misused by Chinese players. The Company has also appealed for removal of 2.5% import duty on ferro-nickel and stainless steel scrap, both of which are input materials for stainless steel industry, and are primarily not available domestically. The Indian Government has always extended support to its industries, and JSL is hopeful to find a resolution for trade imbalance from FTA countries as well as inverted duty structures, soon.

Irrespective of all events within and beyond the organization, your Company did not lose sight of its commitment to people. The fundamental remained simple: to work passionately in a few but focused areas and to make a measurable impact in everything we do. With this philosophy in mind, we drove initiatives on promoting education and enhancing vocational skills, gender equality, empowering women through livelihood generation and rural development programs. These efforts align perfectly with our business vision, which is to cause sustainable improvements in the way the world is built.

In the near future, your Company aims to increase capacity from 0.8 MTPA to 1.1 MTPA through debottlenecking and process balancing with minimum cash outlay. We remain confident that such strategic initiatives will provide levers for high quality growth and strengthen our leadership position. We believe that the time has come for JSL to reap rich harvests on its strengthened foundations.

Today, your Company has become a force to reckon with, chasing one goal after another. This has been made possible by the collective effort of diverse and enterprising employees, past and present. They are the ones behind a fourfold increase in profits and will be the ones to script our stainless future. I thank them all. I also take this opportunity to express my sincere gratitude to our shareholders, Board of Directors, management, employees, bankers and investors, customers, suppliers, and everyone else who has partnered with us on this journey. Let's build a stainless world, together.

JSL HIGHLIGHTS

HIGHLIGHTS OF FY 2017-18



DOMESTIC SALES GROWTH

Domestic Sales CAGR of 15% vs Market CAGR of 7% in last four years



MARKET SHARE INCREASE

12% increase in market share last four years

INITIATIVES TAKEN FOR IMPROVEMENT



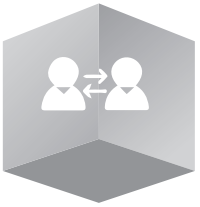
CUSTOMER ENGAGEMENT (FROM TRANSACTIONAL TO PARTNERSHIP)

- Structured Beat Plans across all sales team levels
- Regional, Segmental & CFT Meetings



SMOOTHENING OF SUPPLY CHAIN & INTERNAL PROCESSES

- Focus on distribution network & cross functional coordination
- Customer touch points like complaint resolution



PRE-SALES & LEVERAGING TECHNOLOGY

- C4C: Phase 1 stabilization & Phase 2 start-up
- Funnel implementation/SAP Hybris Commerce



ANALYTICS AS BACKBONE FOR ALL DECISIONS TO STAY A STEP AHEAD OF COMPETITION



CUSTOMER COMMUNICATION

- Strategic: Industry, Products & Knowledge updates



FOCUS ON SALES TEAM SPENDING MORE TIME WITH CUSTOMER

- In market gaining insights into customer requirement
- Gaining market intelligence
- And focusing on business development to grow the domestic market



IMPLEMENTATION OF VALUE CREATING STRATEGIES LIKE VMI TO CREATE UNMATCHED OFFERS TO CUSTOMERS

NEW PRODUCT APPLICATIONS

Stainless Steel Hopper Tippers for Municipal Applications

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

Hopper tippers 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 tippers using stainless steel.



SS bucket with green paint in line with 'Swacch Bharat Abhiyan'



Fully assembled Stainless Steel Hopper Tipper at KVUL, Pune

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, especially in the coastal parts of India. Thus, the entire structure needs to be overhauled after every 3-4 years.

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

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

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

Key Projects:

- Karnataka State Road Transport Corporation
- 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



12,50,000 TPA
Raw Material
Handling System

800,000 TPA
Stainless Steel
Melting Capacity

1240 ACRE
Total Land Area

950,000 TPA
Hot Rolled
Annealing Pickling line

100,000 TPA
Mill Plate
Annealing & Pickling

450,000 TPA
Cold Rolled
Annealing Pickling line

250,000 TPA
Ferro-Alloys

264 MW
Captive power Plant
(Scalable upto 500MW)

PRODUCT BASKET



Stainless steel is a generic term for a family of corrosion resistant alloy steels containing 10.5% or more chromium. All stainless steel grades 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 cleaning ability make stainless steel the wonder metal for various applications.

Jindal Stainless Limited is one of the largest stainless steel producers in India with a capacity of 0.8 MTPA, eventually scalable up to 3.2 MTPA. It is also the largest manufacturer of stainless steel in 200 series, 300 series (including SS 304, SS 316), 400 series and duplex stainless steel grades. Company's manufacturing facility in Jajpur, Odisha, has state-of-the-art equipment from globally reputed technology suppliers. The facility comprises of 250,000 TPA of Ferro Alloy division with a captive power generation unit of 264 MW. The product range includes Slabs, HR coil, CR coil and Plates.



Slab

Manufacturing Range / Odisha

Product	Max Width (mm)	Thickness (mm)	
		Minimum	Maximum
Slab	1650	160	250



CR Coil

Manufacturing Range / Odisha

Product	Max Width (mm)	Thickness (mm)	
		Minimum	Maximum
CRAP Coil	1600	0.3	5.0



HR Coil

Manufacturing Range / Odisha

Product	Max Width (mm)	Thickness (mm)	
		Minimum	Maximum
Hot Rolled Coil	1650	2.0	12.7
HRAP Coil / 2E	1650	1.4	1.0



Plates

Manufacturing Range / Odisha

Product	Max Width (mm)	Thickness (mm)	
		Minimum	Maximum
Plates	1620	11	80

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 convertors | 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 a wide range of benefits, with particular importance attached to its hygienic properties, its resistance to corrosion, long life and low maintenance. It does not require painting and blends smoothly with modern interior design. It is also fully recyclable.



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



Stainless Steel in Chemical Industry

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

SS pipes 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 and 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 Steel 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, it ensures 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 component at the end of its long life is 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 their strength and resistance to corrosion, wear and fire makes it a practical long lasting choice for public and industrial buildings.

Worldwide stainless steel is 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



Disruptive digital transformation is changing the world as we know it. As we step into an era of unmitigated digitization, we at JSL recognize the need to keep up with the times and assimilate the latest technology for our people. The Company is on the growth trajectory by implementing cutting-edge solutions in technology to transform its aspirations into achievements. The Company's consistent efforts towards delivering a robust, seamless and real-time support system ushered some breakthrough developments in the financial year 2017-18.

To start with, the Company has leveraged the revolution, Industry 4.0, to embark upon a digital transformation journey in the plant. **Smart Factory** represents an ongoing evolution towards building and maintaining a connected environment. It embraces the concept of digitization and automation to turnaround the manufacturing process. Today machines learn to understand a process, interact with the environment, and collate data, which can be used to produce useful insights, thus making the business more efficient. This aims to bring quality and operational excellence through enabling paperless operation, batch traceability and centralized data capturing across the plant units. Real-time monitoring of critical process parameters, digital SOPs with advance alerts on SOP deviation, and descriptive and statistical reports have increased efficiency by minimising scope for human errors. This journey will help us maximize productivity and improve quality, thereby strengthening our position as the market leader.

A plethora of other digital initiatives in the plant are changing the way we conduct our business. Our new **Energy Management System (EMS)** helps us keep records of planned energy consumption in different departments and display the actual energy consumed. This will improve plant efficiency and reduce factory costs. Registering unsafe acts and practices is now easier than ever through our new safety observation system and mobile apps. This will drive continuous improvement in safe working practices and behaviors. We also on-boarded an **Occupational Health Centre (OHC) monitoring system** this year. It is a computer-based patient record system which also gives reminders for annual health checkups. The objective is to improve access to information and quality of healthcare decision making.

Another breakthrough system developed by the **HSM (Hot Strip Mill) automation** team involves interfacing the printer with SAP to pull the actual data to be printed on the finished product, thus eliminating human error. This makes monitoring and tracking of our finished products easier and more efficient. **Unmanned weighbridge system** which allows 24X 7 weighing operations without the need of an operator and an online employee exit clearance system which is a paperless process for employee exit clearance request and approval matrix, were among the other initiatives under this theme.

At the operational level, effective communication among stakeholders is the core ingredient for 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 improves productivity, reduces cost and streamlines business processes.

Under the gamut of SAP initiatives, **C4C (Cloud for Customer)** was one of the most critical elements. We have gone live with a CRM (Customer Relationship Management) solution which will give complete information to the sales representatives about the customer at any time and location. This will boost sales productivity and will help improve the customer experience like never before.

Other SAP-driven achievements of the company in the year 2017-18 were successful implementation of the new tax regime (GST), **migration of business transactions of the Kaliapani mines division to SAP** system, and implementation of the **paperless GRN** (Goods Received Note) approval system. The paperless GRN approval system will save the printing of at least 8000 papers per month and reduce the cycle time significantly. All the approved GRNs will be automatically visible to the Finance department for processing MIRO.

We have made significant progress on the digitization front last year. A collaborative approach to enable cross learning of the best IT practices across the company is helping us build the right momentum for augmenting the company's growth, under the purview of Industry 4.0. The sheer perseverance and unwavering dedication of the company's IT team are the reasons behind this exceptional performance on our digital transformation journey.

AWARDS & ACCOLADES



18th Annual Greentech Environment GOLD Award in Metal & Mining Sector for the FY 2017-18 for outstanding achievement in Environmental Management.



Fame Excellence Award- 2017 in Health & Safety for Workers category Constituted by Foundation for Accelerated Mass Empowerment, New Delhi.



Apex India Environment Excellence Gold Award- 2017 for the FY 2017-18 towards excellence in Environment Protection, organized by Apex India Foundation, New Delhi.



'Supplier Excellence Award' by Whirlpool



'Supplier Excellence Award' by Suzler

UNLEASHING PEOPLE POWER

The only way to create a great organization is to love and cherish the backbone of its functioning – its employees. Our people are the impetus to our growth, year after year, at Jindal Stainless Limited. Over the last couple of years, we have concentrated our efforts towards automation of processes and integration of new technology into our practices. However, our workforce remains irreplaceable and embodies the mettle of the metal we proudly manufacture.

Attracting and retaining superior talent continues to be an area of focus for JSL. Augmenting the efforts of the previous years, the cornerstone of our Human Resources management policy was honing the skills and talents of our employees, both existing and new. With a focused talent acquisition drive, JSL's employee strength as on 31st March 2018 stood at 1512 employees, including a fresh batch of Graduate Engineer Trainees and Management Trainees from premier institutes across India.

We sustained our efforts towards creating a better workplace for our people and inculcating a healthy and positive culture. With trust and exemplary performance as our foundation, Jindal Stainless achieved the outstanding milestone of bagging the **Great Place to Work** certificate for the second time in a row. This was an acknowledgment of our strengths as an employer, and helped us identify the scope for improvement for the year to follow.

Our inherent focus on Learning and Development manifested itself through increased effectiveness of our training content and efficient tracking of the training cycle. As a result, we won the prestigious **Golden Peacock Training Award – 2017 (Company-wide)** and **Exceed Award- 2018** in the Platinum category for HR Excellence. Our new development initiatives took shape in collaboration with Central Tool Room and Training Centre, Bhubaneswar (MSME, Govt. of India). Two batches of six-month long certificate course on **Industrial Mechanical Fitter and Rigger** and week-long certificate courses on **Pump Maintenance** and **Electrical and Electronics** have been completed under this collaboration. The Company has also initiated a unique up-skilling program called **Project Pratibha**, where female employees embark on a tractor driving certificate course. These trained women are now





driving light motor vehicles inside the plant premises during the general shift as apprentices. Such an exposure prepares them for more competitive career opportunities and empowers them with the confidence to take on challenges in life outside work. Owing to our dedicated focus on learning and development, the overall training **human-days** at JSL stood at 12,100.

The next milestone in our pursuit of excellence was digitization of HR related processes and practices to offer quicker and seamless resolution of queries and issues to our employees. The focus areas of the HR digitization programs at JSL are increasing collaboration among employees, ensuring greater mobility through usage of cloud based platforms that are accessible from anywhere (mobile devices as well), and increasing transparency by making all relevant information easily accessible to all employees. The digitization initiatives are also expected to make HR decision-making more streamlined and data-driven, benefiting all employees.

The HR team is committed to leaving no stone unturned to transform JSL's vision of becoming one of the most innovative stainless steel manufacturers in the world into reality. From on-boarding the best talent available to providing world-class support systems to ensure agility and responsiveness of the workforce, we are game for any challenge. Our aim is to create a family of people who work with, and not for, Jindal Stainless Limited.



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, JSL's Corporate Vision is "Improving lives through trustworthy and innovative stain-less solutions".

JSL 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 succour 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 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 is a registered society under the Registrar of Societies, established to work for the greater good of society. Our aim is to focus 'Beyond Business Responsibilities', stressing on the importance of seeing a change in the lives of communities around our Plant locations as well as other geographies. The key focus areas are Women Empowerment, Education and Skill Development, Integrated Healthcare, Environment Sustainability, Community Development, and Integrated Farming.

Under the able guidance of the Chairperson, Ms. Deepikka Jindal, team of seasoned CSR professionals implements the entire gamut of initiatives through national and international civil societies and non-government organisations. Under the aegis of JSL Foundation, it is our earnest endeavour to uplift our surrounding communities and transform the lives of people who cross our path.



Aim

Mainstreaming communities at the bottom of the pyramid

Philosophy

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

Objectives

- To work towards social advancement of all stakeholders including communities and their families
- To work with farming communities towards doubling their incomes through technology based solutions and promoting climate adaptation practices
- Empower Rural Youth and Women through skill enhancement and promote entrepreneurship
- Provide basic amenities to rural communities living around our areas of operations i.e. primary health, basic education etc.
- To work towards environmental protection
- To provide an enabling environment and promote best practices
- To ensure a proper reporting structure



PROMOTING GENDER EQUALITY AND EMPOWERING WOMEN



Mr. Ratan Jindal, CMD of Jindal Stainless Limited (JSL), has clearly articulated his resolve of 'Responsible Business' in the Company's Vision Statement 'Improving lives through trustworthy and innovative stain-less solutions'. To improve the lives of women, besides the activities linked towards sustainable growth, Mr. Jindal has signed the United Nations (UN), 'CEO Statement of Support on Women Empowerment Principles (WEP)' and JSL as a member of the United Nations Global Compact (UNGC), is committed towards embracing the 10 UNGC principles. Since signing the 'CEO Statement of Support on WEP', the Company has increased its representation of women in the workforce, 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 CMD has encouraged women to join the workforce and set an example of promoting women with equal opportunities.

JSL 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.

JSL 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

Promotion of Education

Digital Equalizer Program

In partnership with American India Foundation, our CSR team is handling the Digital Equalizer Programme in 10 schools with infrastructure like laptops, and overhead projectors for all the ten schools. The schools adopted are all Computer Aided Learning (CAL) Schools under Sarva Shikshya Abhiyan. A total of 1222 students are impacted due to the digital equaliser programme in which English, Science, Mathematics and Geography are covered. CSR department also provides inverters for these digital class rooms.



Child Friendly Education Centre (CFEC)

Our CSR team is running Child Friendly Education Centers with 195 students in 5 centers between the age group of 4 to 7. Child Fund India, the NGO partner of JSL, is looking after Baligotha, Kantipur, Trijanga and Kiapada centers. The concept behind CFEC is simple- each child deserves a dignified life with equal access to opportunities.

Skill Training

Skill Training has been one of the major activities under JSL CSR since 2008. Jindal Institute of Industrial Training (JIIT) is conducting skill development courses for various topics like Computer Applications, Information Technology, Beauty and Wellness, Advanced Electrical Applications, and ladies tailoring and sewing course.



Women Empowerment and Livelihood Promotion

Status of Women Self Help Groups (SHGs)

The total cumulative credit linkage facilitated for SHGs for women through the local banks has gone up to Rs. 1.61 crores. In 27 operational villages, 200 women SHGs have 2344 associated women members.



Improved Poultry Farming

A total of 72 women have adopted poultry farming as a part of our initiative. 2000 improved poultry birds such as rainbow rooster, which are fast-growing and can lay more than 180 eggs per year, have been distributed amongst these women. These birds are an improvement over Desi Birds and are not required to be kept like broiler birds.

Tailoring Training Centers

Women empowerment is a focus area for our CSR initiatives. Jindal Stainless Limited has been running five tailoring training centers for underprivileged girls and women in five different villages. The duration of skill training course on ladies tailoring is six months. The tailoring training centers earlier running at Jagadih and Kaitha villages are now closed, following the success of all the girls who have been trained well from the said villages. Two new centers have been opened at Chakua and Manpur villages respectively in place of Jagadih and Kaitha centres. Two experienced trainers have been deployed in both the centers. New motorized sewing machines have been provided at all the five training centers and a total of 260 girls have been trained this year.



Agarabatti Making Unit at Jajpur

Promotion of micro-enterprises and livelihood development of the poor and underprivileged women of Kalinganagar is one of the thrust areas of our CSR team. In at least five villages, 200 women are taught to make agarabattis for

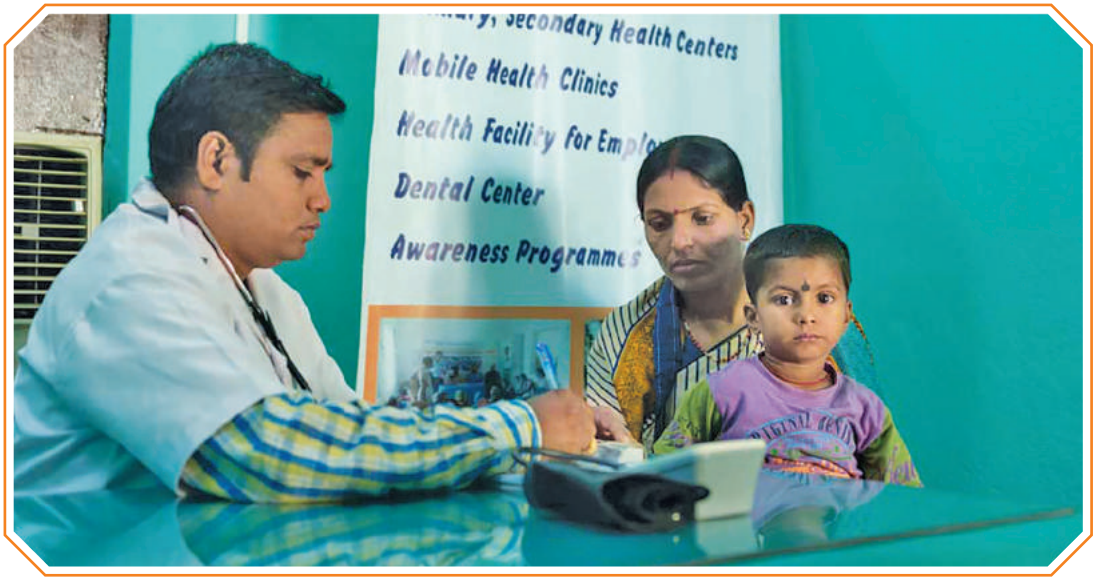


selling at local shops. This gives them an opportunity to contribute to the household income and inch towards financial independence.

Community Healthcare

Health Clinics at Jajpur

Caring for the health of the members of its neighbouring communities is ingrained in Jindal Stainless Limited's philosophy. JSL organizes health camps in and around the periphery of the Jajpur plant. 16 villages are covered every week as per the health camp schedule. A total of 3,130 patients visited the static clinic at Trijanga rehabilitation colony and 21,047 patients visited the outreach mobile health camps i.e. total patients treated during the financial year 2017-18 are 24,177.



Malaria Prevention

Jindal Stainless Limited, in partnership with Synergie, organized a Malaria mass awareness program at Champajhar village of Kiajhar panchayat in the Jajpur district. With cooperation from the District Health Department on the occasion of World Mosquito Day, we organized an event at Raighati primary school with an active participation from all villagers and school students.
468 mosquito nets were distributed to the tribal households of Raighati village and Kansa village of Sukinda block to support the eradication of vector-borne diseases.

Rural Development Projects

Soil Testing of Farmer's Fields

Analysis of the farm soil is important for farmers to determine the soil quality, the type of crops to be grown in it, determine the soil's pH, analyse the micronutrients present, and determine the amount of NPK required, among other things. To aid this process, soil samples from farmers' fields have been collected by Gram Unnati Foundation, the NGO partner for our CSR initiatives. 165 soil samples have been sent to the soil testing laboratory of Paradeep Phosphates Ltd., Bhubaneswar. Besides this, a lot of trainings have been organized for farmers in the 12 villages that have been adopted by Jindal Stainless Limited, regarding plant protection, organic farming, and moisture retention.

Promotion of Biofuel Efficient Stoves

Many households in villages use traditional mud chulhas and fuel wood to cook their food. This has an adverse on their health and hygiene and is hazardous for the environment as well.
With a goal of eliminating harmful traditional cooking methods, Envirofit introduced a product line of aesthetic, high-performance cook stoves tailored to the needs of women. Our CSR department's latest victory was to distribute 100 such bio fuel-efficient stoves to 100 households of Kalinganagar area.

Chairperson Emeritus
Mrs. Savitri Devi Jindal

Chairman and Managing Director
Mr. Ratan Jindal

Managing Director
Mr. Abhyuday Jindal

Whole Time Director
Mr. Tarun Kumar Khulbe

Directors
Mr. Suman Jyoti Khaitan
Mr. T.S. Bhattacharya
Ms. Bhaswati Mukherjee
Dr. Rajeev Uberoi
Mr. Gautam Kanjilal (Nominee Director)

Chief Financial Officer
Mr. Anurag Mantri

Company Secretary
Mr. Navneet Raghuvanshi

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. Walker
Chandiok & Co. LLP

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
Jajpur (Odisha)

JINDAL STAINLESS LIMITED

(CIN: L26922HR1980PLC010901)
Regd. Office: O.P. Jindal Marg, Hisar – 125 005 (Haryana), India
Phone No. (01662) 222471-83, Fax No. (01662) 220499
Email Id.: investorcare@jindalstainless.com
Website: www.jslstainless.com
Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110 066

NOTICE is hereby given that the **38th Annual General Meeting ("AGM")** of Members of **Jindal Stainless Limited** will be held on **Thursday**, **the 27th day of September**, **2018 at 11.00 A.M. at Registered Office** of the Company at O.P. Jindal Marg, Hisar – 125 005 (Haryana) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

a. the audited 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 Report of the Auditors thereon.

2. To appoint a Director in place of Mr. Ratan Jindal (DIN: 00054026), who retires by rotation and being eligible, offers himself 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 including that of Central Government, 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 25th April, 2018 at remuneration and other terms and conditions as mentioned below:

1. Period of appointment: 3 years with effect from 25th April, 2018 to 24th April, 2021.

2. Remuneration:

   (a) **Annual Fixed Pay** (inclusive of basic salary, perquisites, allowances and other benefits): Upto ₹ 3,00,00,000 (Rupees Three Crore only) per annum, 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 per 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 Directors 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 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 (Hisar) Limited ("JSHL"), where is he also a Managing Director, shall not exceed the higher of the admissible limit from any one of the Company or JSHL, 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 Directors be and is hereby authorized to vary and/or revise the remuneration of Mr. Abhyuday Jindal, within the aforesaid limits and settle any question or difficulty in connection therewith and incidental thereto."

4. AS AN ORDINARY RESOLUTION:

APPOINTMENT OF MR. TARUN KUMAR KHULBE 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. Tarun Kumar Khulbe (DIN: 07302532), who was appointed as an Additional Director w.e.f. 15th May, 2018 by the Board, upon identification by the Nomination and Remuneration Committee of the Board of Directors of the Company ("Committee") after satisfying the criteria laid 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 A SPECIAL RESOLUTION:

APPOINTMENT OF MR. TARUN KUMAR KHULBE 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, the Articles of Association of the Company and subject to all requisite consents and approvals including that of Central Government, the consent of the Members of the Company be and is hereby accorded to the appointment of Mr. Tarun Kumar Khulbe (DIN: 07302532) 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: 3 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 ₹ 2,00,00,000 (Rupees Two Crore only) per annum, payable on monthly basis.

   (b) **Variable Pay** (Performance Linked Incentive) to be paid as per Profit Linked Variable Reward Scheme of the Company or such sum as may be determined by the Board and/or Nomination and Remuneration Committee of Directors of the Company, from time to time.

   (c) **Retirement / Other benefits**: Gratuity, provident fund, leave encashment 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. Tarun Kumar Khulbe, 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. Tarun Kumar Khulbe shall not exceed 4% of the net profits of the Company computed in accordance with Section 198 of the the Act. Provided that the total remuneration payable to all the Executive Directors, including Mr. Tarun Kumar Khulbe 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. Tarun Kumar Khulbe, subject to receipt of requisite approvals under the Act."

"**RESOLVED FURTHER** that the Board of Directors and/or Nomination and Remuneration Committee of Directors be and is hereby authorized to vary and/or revise the remuneration of Mr. Tarun Kumar Khulbe, within the aforesaid limits and settle any question or difficulty in connection therewith and incidental thereto."

6. AS AN ORDINARY RESOLUTION:

APPOINTMENT OF DR. RAJEEV UBEROI AS AN INDEPENDENT DIRECTOR

"**RESOLVED** that pursuant to the provisions of Sections 149, 150, 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, Dr. Rajeev Uberoi (DIN: 01731829), who was appointed as an Additional Director (Independent) w.e.f. 9th February, 2018 by the Board of Directors upon identification by the Nomination and Remuneration Committee ("Committee") of the Company after satisfying the criteria laid by the Committee, be and is hereby appointed as an Independent Director of the Company, whose office shall not be liable to retirement by rotation, to hold office for a term of three consecutive years w.e.f. 9th February, 2018 till 8th February, 2021."

7. AS AN ORDINARY RESOLUTION:

RATIFICATION OF REMUNERATION TO BE PAID TO M/S RAMANATH IYER & CO., COST ACCOUNTANTS, AS COST AUDITORS OF THE COMPANY, FOR THE FINANCIAL YEAR 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 the 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) fixed by the Board of Directors of the Company, payable to M/s Ramanath Iyer & Co., (Firm Registration No. 000019), Cost Accountants, as Cost Auditors, appointed by the Board of Directors of the Company on the 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 the Board of Directors be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

8. AS AN ORDINARY RESOLUTION:

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

"**RESOLVED** that pursuant to the provisions of Sections 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 read with 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 approval of the Member 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:

Sl. No.	Name of the Related Party	Amount (In ₹ Crores)
1.	PT. Jindal Stainless Indonesia (**"PTJSI"**)	1,500
2.	Jindal Stainless (Hisar) Limited (**"JSHL"**)	3,500
3.	Jindal United Steel Limited (**"JUSL"**)	3,500
4.	Jindal Coke Limited (**"JCL"**)	2,000
5.	Jindal Stainless Steelway Limited (**"JSSL"**)	2,000

during the Financial Year 2018-19 on such terms and conditions as may be mutually agreed upon between the Company and PTJSI, JSHL, JUSL, JCL and JSSL."

"**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 PTJSI, JSHL, JUSL, JCL and JSSL 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."

9. AS AN ORDINARY RESOLUTION

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

"**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 ("SEBI LODR"), the approval of the Members of the Company be and is hereby accorded to ratification of the contracts / arrangements / transactions entered with the related parties as per details below, during the Financial Year 2017-18, which exceed the limits of materiality as defined under SEBI LODR:

Sl. No.	Name of the Related Party	Amount (In ₹ Crores)
1.	Jindal Stainless (Hisar) Limited (**"JSHL"**)	2,600
2.	Jindal United Steel Limited (**"JUSL"**)	1,065
3.	Jindal Stainless Steelway Limited (**"JSSL"**)	1,100

"**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."

By order of the Board
For Jindal Stainless Ltd.

Registered Office:
O.P. Jindal Marg
Hisar – 125 005, Haryana.
August 06, 2018

Navneet Raghuvanshi
Company Secretary
Membership No. A14657

NOTES:

1. At the 37th AGM, Walker Chandiok & Co. LLP (Firm Regn. No. 001076N/N500013) were appointed as Statutory Auditors of the Company for a term of five years until the conclusion of 42nd 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 under Item No. 2 to 6 of the Notice, 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 September 17, 2018 to September 18, 2018 (both days inclusive) for the purpose of 38th 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 to 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 AM and 5.00 PM.

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@jindalstainless.com by mentioning their Folio / DP ID and Client ID No or download from Company's website www.jslstainless.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 9th August, 2017. To further strengthen the management team, the Board at its meeting held on April 25, 2018, appointed Mr. Abhyuday Jindal as the Managing Director of the Company for a period of three years w.e.f. April 25, 2018, on terms and conditions recommended by the Nomination and Remuneration Committee, subject to the requisite approvals.

Mr. Abhyuday Jindal is also Managing Director in Jindal Stainless (Hisar) Limited ("JSHL"). 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 JSHL, provided that the total remuneration drawn from the Company and JSHL does not exceed the higher of the admissible limit from any one of the Company or JSHL.

Mr. Abhyuday Jindal is not disqualified from being appointed as a 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.

The Company has been on a growth path and has been earning profits since the last two years. However, during earlier years, the operations of the Company had come under strain due to various external factors resulting in losses. On account of accumulated losses for previous years and despite the Company having profits during the financial year 2017-18, the profits computed under Section 198 of the Act for the purpose of payment of managerial remuneration are inadequate. Accordingly, the shareholders approval by way of special resolution, besides approvals from the Central Government and the secured creditors, if any, will be required for payment of remuneration to Mr. Abhyuday Jindal as per provisions of Section II of Part II of Schedule V to the Companies Act, 2013.

The profile of Mr. Abhyuday Jindal and other information as required under second proviso of Section II(B) of Part II of the Schedule V to the Act is provided under the head 'Additional Information'. His term as Director will be subject to retirement by rotation.

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

There is no contract of service in writing with Mr. 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 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, 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 25, 2018, appointed Mr. Tarun Kumar Khulbe 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. Tarun Kumar Khulbe 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 approval of the Members of the Company. 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. Tarun Kumar Khulbe 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. Khulbe is also not debarred from holding the office of a director by virtue of any SEBI Order or any other authority.

The Company has been on a growth path and has been earning profits since the last two years. However, during earlier years, the operations of the Company had come under strain due to various external factors resulting in losses. On account of accumulated losses for previous years and despite the Company having profits during the financial year 2017-18, the profits computed under Section 198 of the Act for the purpose of payment of managerial remuneration are inadequate. Accordingly, the shareholders approval by way of special resolution, besides approvals from the Central Government and the secured creditors, if any, will be required for payment of remuneration to Mr. Tarun Kumar Khulbe Jindal as per provisions of Section II of Part II of Schedule V to the Companies Act, 2013.

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

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

There is no contract of service in writing with Mr. Tarun Kumar Khulbe. 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 No. 4 as an Ordinary Resolution and at Item No. 5 as a Special Resolution for your approval.

Mr. Tarun Kumar Khulbe, being concerned, along with his relatives may be deemed to be interested in the resolution set out at Item Nos. 4 and 5 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. 6

The Board of Directors had appointed Dr. Rajeev Uberoi as an Additional Director (Independent), with effect from 9th February, 2018 on recommendation of the Nomination and Remuneration Committee of Directors of the Company. In terms of provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), he 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 Dr. Uberoi'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 his appointment in its meeting held on July 17, 2018 on recommendation of the Nomination and Remuneration Committee and felt that his association would be of immense benefit to the Company and recommented his 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 February 9, 2018 till February 8, 2021. In the opinion of the Board, Dr. Uberoi 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 ("SEBI LODR").

Dr. Rajeev Uberoi 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 SEBI LODR. Dr. Uberoi 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".

Copy of the draft letter of appointment setting out the terms and conditions for the appointment of Dr. Rajeev Uberoi 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 to the Members for their approval.

Dr. Rajeev Uberoi is interested in the resolution set out at Item No. 6 of this notice with regard to his appointment. Relatives of Dr. Rajeev Uberoi 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

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 25, 2018, on the basis of recommendation 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. 7 as an Ordinary Resolution to the Members for their approval.

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

ITEM NO. 8

The Company in the ordinary course of its business and on arm's length basis, enters into trasanctions for sale / purchase of goods / services / allocating common corporate expenditure with PT Jindal Stainless Indonesia (**"PTJSI"**), Jindal Stainless (Hisar) Limited (**"JSHL"**), Jindal United Steel Limited (**"JUSL"**), Jindal Coke Limited (**"JCL"**) and Jindal Stainless Steelway Limited (**"JSSL"**).

PTJSI, JSHL, JUSL, JCL are 'Related Parties' of the Company in terms of the provisions of Section 2(76) of the Companies Act, 2013 ("the Act") and JSSL is 'Related Party' of the Company in terms of the provisions 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 during the financial year 2017-18.

Your Directors recommend the resolution set out at Item No. 8 as an Ordinary Resolution to the Members for their approval.

Mr. Ratan Jindal, Chairman of Jindal Stainless (Hisar) Limited and Mr. Abhyuday Jindal who is Managing Director in Jindal Stainless (Hisar) Limited along with their relatives are interested in the resolution set out at Item No. 8 of this notice to the extent of their shareholding interest, in the Company and the refereed 'Related Parties'. Mr. Ratan Jindal, Director in Jindal United Steel Limited and Jindal Coke Limited and Mr. Gautam Kanjilal, who is Director of Jindal Coke Limited along with their relatives are interested in the resolution set out at Item No. 8 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 personnel 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. 9

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 Jindal Stainless (Hisar) Limited (**"JSHL"**), Jindal United Steel Limited (**"JUSL"**) and Jindal Stainless Steelway Limited (**"JSSL"**).

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.

JSHL, JUSL and JSSL are 'Related Parties' of the Company in terms of the provisions of Section 2(76) of the Act and JSSL is 'Related Party' of the Company in terms of the provisions of IND-AS. The Shareholders of the Company had at their Annual General Meeting held on September 26, 2017, approved the related party contracts / arrangements / transactions proposed to be entered into with JSHL and JUSL during the financial year 2017-18, for an amount of Rs. 2,000 Crore and Rs. 1,000 Crore respectively. During the financial year 2017-18, to meet the business need of the Company and providing cash flow support as per the Asset Management Plan, the related party contracts / arrangements / transactions with JSHL exceeded the limits approved by the Shareholders by Rs. 600 Crores. Further, during the financial year under review, the material related party contracts / arrangements / transactions with JUSL exceeded the limits approved by the Shareholders by Rs. 66 Crores.

The aforesaid material related party contracts / arrangements / transactions with JSHL, JUSL and JSSL have already been ratified by the Audit Committee and Board of Directors of the Company at their respective meetings held on April 25, 2018.

Your Directors recommend the resolution set out at Item No. 9 as an Ordinary Resolution to the Members for their approval.

Mr. Ratan Jindal, Non-Executive Chairman of Jindal Stainless (Hisar) Limited and Mr. Abhyuday Jindal, Managing Director of Jindal Stainless (Hisar) Limited along with their relatives are interested in the resolution set out at Item No. 9 of this notice to the extent of their shareholding interest, in the Company and the referred 'Related Parties', for contracts with JSHL. Mr. Ratan Jindal, Director in Jindal United Steel Limited along with his relatives are interested in the resolution set out at Item No. 9 of this notice to the extent of their shareholding interest, if any, in the Company and the referred 'Related Parties', for contracts with JUSL.

The other Directors/ Key Managerial personnel 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 the Item No. 8 & 9 of this Notice):

Sl. No.	Particulars	Information				
1.	Name of the related party	PT Jindal Stainless, Indonesia ("PTJSI")	Jindal Stainless (Hisar) Limited ("JSHL")	Jindal United Steel Limited ("JUSL")	Jindal Coke Limited ("JCL")	Jindal Stainless Steelway Limited ("JSSL")
2.	Name of the director or key managerial personnel who is related	No Director/ KMP is related	Mr. Ratan Jindal, Chairman and Managing Director of the Company is also the Non-Executive Chairman of JSHL. Mr. Abhyuday Jindal, Managing Director of the Company is also Managing Director of JSHL.	Mr. Ratan Jindal, Chairman and Managing Director of the Company is also Director of JUSL.	Mr. Ratan Jindal, Chairman and Managing Director and Mr. Gautam Kanjilal, Director of the Company are also Directors of JCL.	No Director/ KMP is related
3.	Nature of relationship	PTJSI is a subsidiary of the Company	The Company is an Associate Company of JSHL. JSHL is an investing company of the Company as per Section 2(76)(viii)(C) of the Act. Mr. Ratan Jindal, Chairman and Managing Director of the Company is also Chairman of JSHL. Mr. Abhyuday Jindal, Managing Director of the Company is also Managing Director of JSHL. Mr. Ratan Jindal and Mr. Abhyuday Jindal hold along with their relatives and entities controlled by them more than 2% (two percent) of the paid-up share capital of JSHL.	JUSL is an associate company of the Company as per Section 2(76)(viii)(A) of the Act.	JCL is an associate company of the Company as per Section 2(76)(viii)(A) of the Act.	JSSL is a '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 No. 8 & 9 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 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 6:
Brief Profile of directors appointed / re-appointed and the directors, who retire by rotation and are eligible for re-appointment:

Name of Director	Mr. Ratan Jindal
DIN	00054026
Brief Resume	A commerce graduate and alumnus of the Wharton School of Management, Mr. Ratan Jindal is the Chairman and Managing Director of Jindal Stainless Limited. 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. His vision for the Company is to improve the lives of people by producing and promoting a metal that is corrosion resistant, durable, infinitely recyclable and inherently stainless. Under his leadership, the Company has made a complete turnaround which is evident both in operational and financial success of the Company. Having the financial performance of

	the Company better than the projections as per the approved Corporate Debt Restructuring ("CDR") package, the company initiated negotiations with the CDR lenders for the exit from CDR scheme in June, 2018.The consortium of lenders have already recommended CDR exit to CDR-Empowered Group. The Company is waiting for the final approval in this regard. Social commitments remain as central to Mr. Ratan Jindal's businesses as they were to the founder of the Jindal Group, Shri O.P. Jindal. Established by the group, the 600-bedded multi-specialty charitable hospital, the famed VDJ School (VDJS) and the O.P. Jindal Modern School in Hisar (Haryana, India) stand testimony to this commitment. The Company undertakes several initiatives at the plant level to empower local communities through self- reliance. The interventions include technical & vocational training, micro-financing & livelihood generation, tailoring, farming & poultry training, and environment conservation drives. True to his sportsman spirit, Mr. Ratan Jindal is a keen golfer, and takes avid interest in tennis and cricket.
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 re-appointment	The terms and conditions of appointment and remuneration to be paid to Mr. Ratan Jindal have already been approved by the Members at the EGM held on February 29, 2016.
Details of remuneration and remuneration last drawn	Mr. Ratan Jindal did not draw any remuneration from the Company during the last financial year.
Date on which first appointed on the Board	July 23, 2003
Details of shareholding in the Company	74,24,148 equity shares of ₹ 2 each
Relationship with other Directors/Key Managerial Personnel ("KMP") (if any)	Father of Mr. Abhyuday Jindal, Managing Director of the Company. He is not related to any other Director/ KMP.
Number of Board Meetings attended during the year	5
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 (Hisar) Limited	-	Nomination and Remuneration 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	-	-
	Jindal Stainless Mauritius Limited	-	-

Name of Director	Mr. Abhyuday Jindal
DIN	07290474
Brief Resume	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. Mr. Abhyuday Jindal started his career with the JSW Group. There, he played a prominent role in the stake acquisition of Ispat Industries and the post acquisition integration of JSW and Ispat. He then moved on to the Boston Consulting Group, where he managed project

	consultancy for diverse industries, including cement, steel, wind turbines and auto components. Having gained a deep understanding of the industrial manufacturing arena, Mr. Abhyuday Jindal entered the 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 efficiences. Today, he is shaping the Company into a far more dynamic, reponsive, predictive and solution-based organization. Currently, he is also the Managing Director of Jindal Stainless (Hisar) Limited. Strongly rooted in the Indian soil, Mr. Abhyuday Jindal's 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 endeared him further among employees. He personifies open and participative management, a consistent culture of dialogue and feedback, and a relentless march towards continuous improvement. Mr. Jindal also serves as the Vice President of the Infrastructure Industry and Logistics Federation of India, endeavoring to forge stronger and wider public-private partnerships.
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	August 9, 2017 (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 ("KMP") (if any)	Mr. Abhyuday Jindal is the son of Mr. Ratan Jindal, Chairman and Managing Director of the Company. He is not related to any other Director/ KMP.
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 (Hisar) Limited	Stakeholders' Relationship Committee	Sub Committee, Share Transfer Committee

Name of Director	Mr. Tarun Kumar Khulbe
DIN	07302532
Brief Resume	Mr. Tarun Kumar Khulbe was appointed the Whole Time Director of Jindal Stainless Limited (JSL) w.e.f. 15th May, 2018. With a formidable industry experience of 32 years, Mr. Khulbe has played an instrumental in steering JSL towards sustained operational excellence. Mr. Khulbe started his career with the then Raymond Steel, which later merged into Thyssen Krupps, Germany. There, he garnered rich and varied industrial experience spanning across India and Germany. In October 2004, Mr Khulbe joined Jindal Stainless as an Additional General Manager for the Cold Rolling Mills. Through a demonstrated ability to lead high-performing teams, he was selected to head the entire stainless steel operations at JSL in August 2012. Three years later, he assumed the role of Director and Chief Operating Officer for JSL. Mr. Khulbe combines hands-on knowledge and experience of people, plant, project and business units' management, which makes him a unique blend of a technocrat and a leader. He is an Engineering Graduate from MITS, Gwalior and MBA from Jamunalal Bajaj Institute of Management Studies, Mumbai.
Date of Birth (Age in years)	July 4, 1965, (53)
Qualification	Engineering graduate from MITS, Gwalior and MBA from JBIMS, Mumbai
Experience and expertise in specific functional area	Operations
Terms and conditions of appointment	Please refer to the resolution at Item Nos. 4 and 5 for details.

Details of remuneration and remuneration last drawn	Prior to his appointment as Whole-time Director, Mr. Tarun Kumar Khulbe was working as Whole-time Director of Jindal United Steel Ltd. and his last drawn remuneration was ₹ 1.5 Crores.
Date on which first appointed on the Board	May 15, 2018
Details of shareholding in the Company	34,076 equity shares of ₹ 2 each.
Relationship with other Directors/Key Managerial Personnel ("KMP") (if any)	He is not related to any other Director or KMP of the Company.
Number of Board Meetings attended during the year	N.A.
Details of Directorships / Committee Chairmanship and Memberships in other companies	NIL

Name of Director	Dr. Rajeev Uberoi
DIN	01731829
Brief Resume	Dr. Rajeev Uberoi has been General Counsel and Group Head-Legal and Compliance of IDFC Bank Limited since 2009. Prior to joining IDFC Bank Limited, Dr. Uberoi worked with Standard Chartered Bank where he was Regional Head - Operational Risk & Assurance, South Asia. In his previous experiences, he has worked with several domestic and multinational banks such as Union Bank of India, State Bank of India, Reserve Bank of India as Asst. General Manager, Dept. of Banking Supervision, Citibank as Vice President & Regulatory Head; ANZ Grindlays Bank as Head - Risk Management & Compliance - India. Dr. Uberoi is also a profound writer and has a lot of publications to his credit. He is also a member of various committees and has been active on the Speaker circuit. He is a recipient of many accolades and awards and his contribution to the legal fraternity has been recognised in the Industry. Dr. Uberoi is a lawyer and a Canadian Commonwealth Scholar with a Masters from McMaster University and a Ph.D. in Economics. He also possesses a Post - Graduate Diploma in Business Administration from the Management Development Institute (MDI).
Date of Birth (Age in years)	January 30, 1957 (61)
Qualification	A lawyer and a Canadian Commonwealth Scholar with a Masters from McMaster University and a Ph.D. in Economics, Post - Graduate Diploma in Business Administration from the Management Development Institute (MDI)
Experience and expertise in specific functional area	Compliance and Legal
Terms and conditions of appointment	Please refer to the resolution at Item No. 6 for details.
Details of remuneration and remuneration last drawn	Details mentioned in Corporate Governance Report.
Date on which first appointed on the Board	February 9, 2018
Details of shareholding in the Company	NIL
Relationship with other Directors/Key Managerial Personnel ("KMP") (if any)	He is not related to any other Director or KMP of the Company.
Number of Board Meetings attended during the year	1
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	IDFC Projects Limited	-	-
	IDFC Trustee Company Limited	-	-
	IDFC Securities Limited	-	-

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

Sr. No.	Description	Mr. Abhyuday Jindal	Mr. Tarun Kumar Khulbe
I	**General Information**		
1	Nature of Industry	Your Company is engaged in manufacturing of Stainless Steel	
2	Date or expected date of commencement of commercial production	Your Company is already in commercial production	
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
4	Financial performance based on given indicators	During the year ended 31st March, 2018, Gross Revenue from operations of your Company on standalone basis was 10,963.67 Crore. Profit before other income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortisation (EBITDA) on standalone basis stood at ₹ 1,280.93 Crore. The detailed balance sheet, profit & loss account and other financial statement forms part of the Annual Report 2017-18.	
5	Foreign investments or collaborators, if any.	There are no foreign collaborators in your Company. Total shareholding of PRIs, comprising of foreign institutional investors, overseas corporate bodies, non- resident incorporated bodies, non-resident Indian etc. as on 31st March, 2018 stands at 28.04%.	
II	**Information about Appointee**	**Mr. Abhyuday Jindal**	**Mr. Tarun Kumar Khulbe**
1	Background details	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. Mr. Abhyuday Jindal started his career with the JSW Group. There, he played a prominent role in the stake acquisition of Ispat Industries and the post acquisition integration of JSW and Ispat. He then moved on to the Boston Consulting Group, where he managed project consultancy for diverse industries, including cement, steel, wind turbines and auto components. Having gained a deep understanding of the industrial manufacturing arena, Mr. Abhyuday Jindal entered the 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 efficiences. Today, he is shaping Company into a far more dynamic, reponsive, predictive and solution-based organization. Currently, he is also the Managing Director of Jindal Stainless (Hisar) Limited. Mr. Jindal also serves as the Vice President of the Infrastructure Industry and Logistics Federation of India, endeavoring to forge stronger and wider public-private partnerships.	Mr. Tarun Kumar Khulbe was appointed the Whole Time Director of Jindal Stainless Limited (JSL) w.e.f. 15th May, 2018. With a formidable industry experience of 32 years, Mr. Khulbe has played an instrumental in steering JSL towards sustained operational excellence. Mr. Khulbe started his career with the then Raymond Steel, which later merged into Thyssen Krupps, Germany. There, he garnered rich and varied industrial experience spanning across India and Germany. In October 2004, Mr Khulbe joined Jindal Stainless as an Additional General Manager for the Cold Rolling Mills. Through a demonstrated ability to lead high-performing teams, he was selected to head the entire stainless steel operations at JSL in August 2012. Three years later, he assumed the role of Director and Chief Operating Officer for JSL. Mr. Khulbe combines hands-on knowledge and experience of people, plant, project and business units' management, which makes him a unique blend of a technocrat and a leader. He is an Engineering Graduate from MITS, Gwalior and MBA from Jamunalal Bajaj Institute of Management Studies, Mumbai.
2	Past remuneration	Prior to his appointment as Managing Director, Mr. Abhyuday Jindal was the Non-Executive Vice Chairman and was paid sitting fee of ₹ 2 Lakhs during the financial year 2017-18, for attending the meetings of the Board of Directors of the Company.	Prior to his appointment as Whole-time Director, Mr. Tarun Kumar Khulbe was working as Whole-time Director of Jindal United Steel Ltd. and his last drawn remuneration was ₹ 1.5 Crore.

3	Job Profile and his suitability	Mr. Abhyuday Jindal is the Managing Director of the Company. He has been entrusted with powers to manage and lead the Company. Taking into account Mr. Jindal's qualifications, his experience and the responsibilities shouldered by him, the Board considers his appointment to be in the best interests of the Company.	Mr. Tarun Kumar Khulbe is the Whole Time Director of the Company. He has also been nominated as Occupier of factories and Owner of Mines of the Company, under the relevant laws. Taking into account Mr. Khulbe's qualifications, his extensive experience and the responsibilities shouldered by him, the Board considers his appointment to be in the best interests of the Company.
4	Remuneration proposed	The details of remuneration proposed to be paid to Mr. Abhyuday Jindal have been provided at Resolution No. 3 of this Notice forming part of the Annual Report 2017-18.	The details of remuneration proposed to be paid to Mr. Tarun Kumar Khulbe have been provided at Resolution No. 5 of this Notice forming part of the Annual Report 2017-18.
5	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The Nomination and Remuneration Committee perused remuneration of managerial persons in the steel industry and other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Abhyuday Jindal, before approving the remuneration as proposed herein before.	The Nomination and Remuneration Committee perused remuneration of managerial persons in the steel industry and other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Tarun Kumar Khulbe, before approving the remuneration as proposed herein before.
6	Pecuniary relationship directly or indirectly with the Company	Besides the remuneration proposed herein, Mr. Abhyuday Jindal does not have, directly or indirectly, any material pecuniary relationship with the Company.	Besides the remuneration proposed herein, Mr. Tarun Kumar Khulbe does not have, directly or indirectly, any material pecuniary relationship with the Company.
7	Relationship with the managerial personnel, if any.	Mr. Abhyuday Jindal is the son of Mr. Ratan Jindal, Chairman and Managing Director of the Company.	Mr. Tarun Kumar Khulbe is not related to any other Directors or KMP of the Company.
III	**Other Information**		
1	Reasons for loss or inadequate profits	The Company has been on a growth path and has been earning profits since the last two years. However, during earlier years, the operations of the Company had come under strain due to various external factors resulting in losses. On account of accumulated losses for previous years and despite the Company having profits during the financial year 2017-18, the profits computed under Section 198 of the Act for the purpose of payment of managerial remuneration are inadequate.	
2	Steps taken or proposed to be taken for Improvement	For the Financial Year ended 31st March, 2018, the Company has net profits of ₹ Rs 318.27 Crore indicating that the Company has set itself on a strong and sustainable growth journey. Having performed better than the projections as per the approved CDR package, the Company has initiated negotiations with the CDR Lenders for exit from the CDR Scheme. The Company has received a rating upgrade from CARE, to 'from BB+ to BBB-, reflecting Company's improved profitability, strengthening balance sheet, and sustained operational progress.	
3	Expected increase in productivity and profit in measurable terms	In the competitive environment, it is difficult to estimate the revenue/profits in measurable terms. As mentioned above, the Company is taking various efforts to increase its productivity and the management is confident of increase in revenue and profits in coming years. The Company is already on the road to sustainable growth.	

By order of the Board
For Jindal Stainless Ltd.

Registered Office:
O.P. Jindal Marg
Hisar – 125 005, Haryana.
August 06, 2018

Navneet Raghuvanshi
Company Secretary
Membership No.: A14657

INSTRUCTIONS FOR E-VOTING:

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as amended, the Company is pleased to provide 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 38th AGM 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. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ("remote -voting"). The Company has appointed Mr. Sandeep Garg, Advocate, as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner. The list of shareholders/ beneficial owners shall be reckoned on the equity shares as on September 20, 2018.

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

(I) The remote e-voting period begins on September 24, 2018 at 9.00 a.m. and ends on September 26, 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 September 20, 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 'Jindal Stainless Limited' on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) 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 repectively. 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.

(xxi) Any person, who acquires shares of the Company and become member of the Company after the despatch of the Notice and holding shares as on the cut-off date i.e. September 20, 2018 may follow the same instructions as mentioned above for e-voting.

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 to the Secretarial Department of the Company at O.P. Jindal Marg, Hisar or email at investorcare@jindalstainless.com.

FOR ATTENTION OF SHAREHOLDERS

1. The register of members and share transfer books of the Company will remain closed from Monday, September 17, 2018 to Tuesday, September 18, 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 its Circular No. MRD/DoP/Cir-05/2009 dated 20th May, 2009, made it mandatory for the transferees to furnish copy of PAN card to the Company / RTA for registration of transfer of shares in physical form.

6. **The Company has created an Email Id. 'investorcare@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 / investor at registered office of the Company and registered office of the subsidiary companies on any working day except holidays.

12. Members attending the AGM and desiring to go round the factory, are requested to inform a week in advance so that necessary arrangements 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:

- KYC Format duly filled in and signed by all the shareholders.
- Self-attested copy of Pan Card of all the shareholders.
- 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.

DIRECTOR'S REPORT

TO
THE MEMBERS,

Your Directors have pleasure in presenting the 38th 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:

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	**10,963.67**	8,957.40	**11816.86**	9924.78
II	Other income	**45.41**	25.55	**45.08**	25.69
III	Total income	**11,009.08**	8,982.95	**11861.94**	9950.47
IV	Total expenses	**10,527.21**	8,920.37	**11362.61**	9872.28
V	EBITDA	**1,280.93**	1,106.70	**1,340.34**	1165.59
VI	Profit before exceptional items, share of net profit of investments accounted for using equity method and tax	**481.87**	62.58	**499.33**	78.19
VII	Share of net profit of investments accounted for using equity method	**-**	-	**15.77**	11.48
VIII	Profit before exceptional items and tax	**481.87**	62.58	**515.10**	89.67
IX	Exceptional items	**1.37**	26.13	**4.44**	25.84
X	Profit after exceptional items but before tax	**483.24**	88.71	**519.54**	115.51
XI	Tax expense	**164.97**	30.37	**174.04**	32.47
XII	Profit for the year	**318.27**	58.34	**345.50**	83.04
XIII	Total other comprehensive income	**(0.57)**	(0.26)	**15.58**	(31.63)
XIV	Total comprehensive income for the year (comprising profit and other comprehensive income for the year)	**317.70**	58.08	**361.08**	51.41

FINANCIAL HIGHLIGHTS

During the year, the revenue from operations of your Company on standalone basis has increased to ₹ 10,963.67 Crore as compared to ₹ 8,957.40 Crore during previous financial year 2016-17. The Profit before other income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortisation (EBITDA) on standalone basis stood at ₹ 1,280.93 Crore as compared to ₹ 1,106.70 Crore during previous year. The Net profit on standalone basis stood at ₹ 318.27 Crore as compared to a net profit of ₹ 58.34 Crore during previous year.

Further, during the year, the consolidated revenue from operations of your Company has increased to ₹ 11,816.86 Crore as compared to ₹ 9,924.78 Crore during previous financial year 2016-17. Consolidated Profit before other income, Finance Cost, Depreciation, Exceptional Items, Tax & Amortization (EBITDA) stood at ₹ 1,340.34 Crore as compared to ₹ 1,165.59 Crore during previous year. The Net profit on consolidated basis stood at ₹ 345.50 Crore as compared to a net profit of ₹ 83.04 Crore during previous year.

Your Company has delivered a strong financial result for the second consecutive year. Your Company has reported a robust growth in PAT at ₹ 318.27 Crore in financial year 2017-18 as against ₹ 58.34 Crore during previous financial year, registering almost six times increase. EBIDTA is up by ~ 16% at ₹ 1,280.93 Crore in FY18. The robust performance in financial year 2017-18 reinforces that your Company has set itself on a strong and sustainable growth journey.

OPERATIONS

Your Company has been able to improve its performance significantly during the year 2017-18. Steel Melting Shop produced 7,97,156 MT as compared to 7,22,995 MT in the previous year. HAPL in CRM produced 6,44,393 MT against 5,92,113 MT in previous year and CAPL in CRM produced 3,88,038 MT against 3,44,725 MT produced in previous year.

The production at Ferro Alloys during the year was 1,99,950 MT against 2,05,510 MT during previous year. The Captive Power Plants (2 X 125 MW) generated 1,833 million units (net) of power as compared to 1,785 million units (net) in the previous year.

CERTIFICATIONS AND QUALITY STANDARDS

Your Company is certified for various product and management system certifications comprising of Quality Management System (ISO 9001), Environment Management System (ISO 14001) and Occupational Health & Safety Management System (BS OHSAS 18001). The certifications have successfully been upgraded to the latest versions and the unit is in receipt of the certificates as per ISO 9001:2015, ISO 14001:2015. The Company has undertaken initiative for obtaining Energy Management System certification (ISO 50001:2011) and has met the pre requisites for certification.

Various testing laboratories of the Company have adopted laboratory management system (ISO 17025:2005). The chemicals laboratories comprising of Materials, Steel Melt Shop & Coal Testing are already accredited to National Accreditation Board of Testing and Calibration Laboratory (NABL) as per ISO 17025:2005. Recently the Company's Mechanical and Metallurgical testing laboratory has got NABL accreditation adding another milestone in the journey of operational excellence. Scope of Construction Product Regulation (CE Marking) certification is expanded (applied and under process) to include grade EN 1.4462 of Duplex Stainless Steel. This will enhance Company's preference as certified manufacturer of stainless steel for construction field in the European market with 11 grades covered under the CE marking scope. AD/ PED certification is valid until Feb 2019 & PEMEX certification valid till sept 2018. Your Company's Jajpur Unit has successfully received DNV GL Approval for Marine Application and also received Approval from Bureau Veritas as per Marine & Offshore General Conditions.

Your Company has REACH/RoHS certification for 200, 300 & 400 series stainless steel grades. This includes compliance to the 7 new additions of Substances of Very High Concern (SVHC) in the REACH regulation 1907/2006.

Your Company has received ISI mark/ BIS certification for Stainless Steel grades as per IS 6911: 1992 (Stainless steel plate, sheet and strips). This has enabled us to be first stainless steel manufacturer to receive BIS license for stainless steel as per IS 6911: 1992. Other BIS license includes certifications as per IS 5522: 2014 (Stainless Steel Sheets and Strips for Utensils) and IS 15997:2012 (Low Nickel Austenitic Stainless Steel and Strip for Utensils and Kitchen Appliances).

Your Company is in receipt of JIS Mark Certification as per JIS (Japanese Industrial Standard) JIS G 4304, JIS G 4305 and JIS G 4312 requirements for stainless steel products. With JIS certification, your Company is able to sell stainless steel products in Japan and East Asian countries.

REVISION IN CREDIT RATING

In June, 2018, your Company received a rating upgrade from CARE, from BB+ to 'BBB-', reflecting Company's improved profitability, strengthening balance sheet, and sustained operational progress.

EXIT FROM CORPORATE DEBT RESTRUCTURING MECHANISM

The Company has become eligible for exit from Corporate Debt Restructuring Scheme (CDR), basis the superior financial performance for the last two financial years. The consortium of lenders has already recommended for the CDR exit for the Company and the matter is pending for voting in CDR forum.

DIVIDEND & TRANSFER TO RESERVES

In terms of the Dividend Distribution Policy of the Company and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), 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. Therefore, 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:

http://www.jslstainless.com/pdf/JSL-Dividend-Distribution-Policy_482018_R.pdf.

SHARE CAPITAL

As on 31st March, 2018, the paid up share capital of your Company was ₹ 124,41,04,594 divided into 47,92,21,660 equity shares of ₹ 2 each and 14,28,30,637 Optionally Convertible Redeemable Preference Shares having face value of ₹ 2 each ("OCRPS").

During the financial year 2017-18, your Company has on 26th May, 2017, allotted: (a) 6,05,70,320 equity shares to the lenders of your Company upon conversion of the Funded Interest Term Loan I and the Funded Interest Term Loan II at a price of ₹ 39.10 (including premium of ₹ 37.10) per share, aggregating to ₹ 236,82,99,512; and (b) 14,28,30,637 0.01% OCRPS to the lenders of your Company upon conversion of the Funded Interest Term Loan I and the Funded Interest Term Loan II at a price of ₹ 39.10 (including premium of ₹ 37.10) per OCRPS, aggregating to ₹ 558,46,77,906.70.

Further, your Company has on the 28th March, 2018 allotted 1,91,81,586 Equity Shares having the face value of ₹ 2 each to Virtuous Tradecorp Private Limited, a promoter group entity, upon conversion of 1,91,81,586 Compulsorily Convertible Warrants ("CCW") held by it.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the 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 as 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 LODR describing the initiatives taken by the Company from an environmental, social and governance perspective, along with all the related policies can be viewed on the Company's website at www.jslstainless.com.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company has transferred unclaimed and unpaid amounts aggregating to ₹ 3,73,136 to Investor Education and Protection Fund. During the financial year 2017-18, there was no unclaimed dividend which was required to be transferred to Investor Education and Protection Fund of Government of India.

EMPLOYEES STOCK OPTION SCHEME

During the year under review, no stock options were vested in eligible employees. The disclosure, under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 is set out in **Annexure – I** to this Report.

INFORMATION TECHNOLOGY

Your Company is on growth-path with digital transformation journey to support the operational efficiency using predictive analytics quality and maintenance. This journey will cover certain milestones which will help the organization to turn around its manufacturing capability. This journey aims to bring end to end operations visibility. This includes batch traceability, scrap yard, raw material yard, and slab yard and coil yard management for traceability, advance alerts, critical parameter monitoring, statistical process controls, scheduling, end-to-end quality integration and analytics.

As an early-adaptor of technology, your Company has achieved remarkable exposure to technology solution using SAP platform as core ERP solution through migration from SAP ECC6 with Oracle database to SAP ECC6 EHP8 with HANA Database. Also in this journey, Cloud 4 Customer (C4C) portal has been deployed to improve efficiency of sales team. In this project, Key Account Managers are equipped with all the relevant data related to each customer during their visit. It also helps to plan their visit to optimize their time. Your Company is now focusing on the integration of different HR applications to serve user seamless working on single platform by implementing cloud based solution Success Factor.

SAP has been successfully implemented at Company's subsidiary in Indonesia. Your Company has already embarked on the Disaster Recovery Setup process to secure the transactional data of SAP at different data centre locations.

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

Your Company follows its global ambition to build a premium brand name for its quality Stainless Steel solutions and expertise with the ambition and with a view of expansion and diversification, it has created subsidiaries, associates and joint ventures. As on the date of this Report, your Company has 5 direct subsidiaries, namely (i) Jindal Stainless UK Limited; (ii) Jindal Stainless FZE, Dubai; (iii) PT Jindal Stainless Indonesia; (iv) JSL Group Holdings Pte. Ltd., Singapore; and (v) Iberjindal S.L., Spain.

Your Company also has two joint venture companies namely, MJSJ Coal Limited and Jindal Synfuels Limited and three associate companies namely, Jindal United Steel Limited, Jindal Coke Limited and Jindal Stainless Corporate Management Services Pvt. Ltd. Further, your Company is an associate company of Jindal Stainless (Hisar) Limited.

During the financial year ended 31st March, 2018, no subsidiary has been liquidated. Jindal Stainless UK Limited is currently under liquidation.

The financial statements of subsidiary companies are kept open for inspection by the shareholders at the Registered Office and Corporate Office of your 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 Secretarial Department of the Company at O.P. Jindal Marg, Hisar – 125005 (Haryana) to obtain the copy of the financial statements 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.jslstainless.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 along with financial statements. The statement also provides the details of performance and financial position of each of the subsidiary company.

Your Company has framed a policy for determining "Material Subsidiary" in terms of Regulation 16(6) of SEBI LODR. The Policy for determining material subsidiaries as approved may be accessed on your Company's website at the link:

http://www.jslstainless.com/pdf/Policy%20on%20Material%20Subsidiaries.pdf

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board appointed Mr. Abhyuday Jindal as the Managing Director and Key Managerial Personnel of the Company w.e.f. 25th April, 2018. Prior to his appointment as the Managing Director, Mr. Abhyuday Jindal was Non-Executive Vice-Chairman of your Company. Mr. Ratan Jindal continues to be the Chairman and Managing Director of the Company.

Further, the Board has inducted Mr. Tarun Kumar Khulbe 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. Dr. Rajeev Uberoi has been appointed as an Additional Independent Director w.e.f. 9th February, 2018. The requisite resolutions for appointment of Mr. Abhyuday Jindal as Managing Director, Mr. Tarun Kumar Khulbe as a Director and Whole Time Director and Dr. Rajeev Uberoi as an Independent Director, will be placed before the Members for their approval, at the ensuing Annual General Meeting ("AGM").

Mr. Subrata Bhattacharya has ceased to be Whole Time Director w.e.f. 15th May, 2018 and Mr. Sunil Yadav has ceased to be the Company Secretary and Compliance Officer of your Company w.e.f. 25th April, 2018. Ms. Ishani Chattopadhyay and Mr. Kanwaljit Singh Thind have ceased to be the Directors w.e.f. 9th May, 2017 and 26th September, 2017 respectively. The Board places on record its sincere appreciation for the valuable contributions made by them during their tenure.

The Board of Directors has appointed Mr. Navneet Raghuvanshi as the Company Secretary and Compliance Officer of your Company w.e.f. 25th April, 2018. The Board has also designated him as the Key Managerial Personnel (KMP) of your Company.

Mr. Ratan Jindal, who retires by rotation at the ensuing AGM under the provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

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 and Regulation 16 of SEBI LODR.

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://www.jslstainless.com/pdf/DETAILS%20OF%20FAMILIARIZATION%20%20PROGRAMMES%20IMPARTED%20TO%20INDEPENDENT%20DIRECTORS%20JSL.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

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the SEBI LODR, the Board of Directors on the recommendation 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:

http://www.jslstainless.com/pdf/JSL%20Remuneration%20Policy.pdf

FIXED DEPOSITS

Your Company had stopped accepting / renewing deposits from 1st April, 2014.In compliance of the CLB Order, your Company has repaid the entire outstanding deposits on 30th June, 2016. As on 31st March, 2018, your Company had total outstanding unclaimed deposits of ₹ 35,98,272.

The details relating to deposits, covered under Chapter V of the Companies Act, 2013 ("the Act")are provided hereunder:

(a) Accepted during the year: Nil
(b) Remained unpaid or unclaimed as at the end of the year due to pending clearance of cheques including interest: ₹ 35,98,272 (unclaimed)
(c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: - no default has been made and hence these details are not applicable.
    (i) at the beginning of the year: Not Applicable
    (ii) maximum during the year: Not Applicable
    (iii) at the end of the year: Not Applicable
(d) The details of deposits, not in compliance with the requirements of Chapter V of the Act: Nil

PARTICULARS REGARDING THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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

PARTICULARS OF EMPLOYEES

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 are provided in the Directors' Report, which forms part of this Annual Report.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Rules are provided in the Directors' Report, which forms part of this 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 of the Company during working hours and any member interested in obtaining such information may write to the Secretarial Department of the Company and the same will be furnished on request.

STATUTORY AUDITORS AND AUDITORS' REPORT

Walker Chandiok & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, were appointed by the Shareholders at the 37th Annual General Meeting of the Company held on 26th September, 2017, for a period of five consecutive years until the conclusion of the 42nd 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 Statutory 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 ("Act") read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to get its cost accounting records audited by a Cost Auditor. The Board 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 Act and gets them audited. The Cost Audit Report for the FY 2017-18 does not contain any qualification, reservation or adverse remark.

The remuneration payable to the Cost Auditors for the Financial Year 2018-19 shall be placed for ratification by members in terms of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

SECRETARIAL AUDITORS

The Board has appointed M/s. Vinod Kothari & Company, 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 as **Annexure – III** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

RISK MANAGEMENT

In terms of Regulation 21 of the SEBI LODR, as amended, the Company has constituted a Risk Management Committee which has been entrusted inter alia with the following functions: (a) Framing of Risk Management Plan and Policy; (b) Overseeing implementation / Monitoring of Risk Management Plan and Policy; (c) Identifying emerging risks and reviewing risk mitigation strategies; and (d) Formulating a cyber security plan and overseeing its implementation. Your Company has laid down procedures to inform Board members about risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of properly defined framework.

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. Suman Jyoti Khaitan	Chairman	Independent Director
2	Mr. T. S. Bhattacharya	Member	Independent Director
3	Mr. Gautam Kanjilal	Member	Nominee Director, Non-Independent
4	Dr. Rajeev Uberoi[1]	Member	Independent Director

1 *Dr. Rajeev Uberoi has been inducted as a Member of the Audit Committee w.e.f. 25th April, 2018.*

* *Mr. Kanwaljit Singh Thind was inducted as a Member of the Audit Committee w.e.f. 11th May, 2017 and he ceased to be a Director and consequently a Member of the Committee w.e.f. 26th September, 2017. Ms. Ishani Chattopadhyay ceased to be a Director and consequently a Member of the Committee w.e.f. 9th May, 2017.*

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 (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.

Though the Company is not mandated under Section 135 of the Companies Act, 2013 to incur expenditure on CSR, but being guided by the vision and philosophy of its Founder Late Shri. O. P. Jindal, 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. The Disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report at **Annexure - IV**.

The CSR Policy can be accessed on your Company's website at the link: http://www.jslstainless.com/pdf/JSL%20CSR%20Policy.pdf.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee comprises of the following three Directors out of which one is Independent Director:

Sl. No.	Name	Status	Category
1	Mr. Ratan Jindal	Chairman	Executive, Non Independent
2	Mr. T. S. Bhattacharya	Member	Non-Executive, Independent
3	Mr. Tarun Kumar Khulbe[1]	Member	Executive, Non Independent

1 *Mr. Tarun Kumar Khulbe has been inducted as a Member w.e.f. 15th May, 2018. Mr. Subrata Bhattacharya ceased to be a Director and consequently a Member of the 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 Ltd., ("NSE")
Exchange Plaza, 5th Floor, Plot No. C/1,
G – Block, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051

BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

The annual listing fee was paid to both the Stock Exchanges. No shares of your 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 –V**.

NUMBER OF BOARD MEETINGS

The Board of Directors met 6 (six) 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 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 is posted on the website of your Company and can be accessed at the link:

http://jslstainless.com/pdf/WB%20Policy.pdf

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY UNDER SECTION 186 OF THE COMPANIES ACT, 2013 ("THE ACT")

The particulars of loans, guarantees and investments by your Company under Section 186 of the Act 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 your 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 – VI** 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 parties transactions and dealing with related parties as approved by the Board may be accessed on your Company's website at the link:

http://www.jslstainless.com/pdf/Policy%20on%20dealing%20with%20Related%20Party%20Transactions.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 requisite resolutions in order to comply with the aforesaid requirements of Regulation 23 of SEBI LODR.

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 has achieved total revenue from operations of ₹ 3,146.75 Crore with EBITDA of ₹ 374.93 Crore. Your Company earned net profit of ₹ 90.85 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 2017-18 there was 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 had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit and loss of the Company for the year ended on that date;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

A separate section on Corporate Governance and a certificate from the practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under the SEBI LODR, 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: 17th July, 2018

Ratan Jindal
Chairman and Managing Director
DIN: 00054026

Disclosures with respect to Employees Stock Option Scheme of the Company for the year ended 31.3.2018:

Statement pursuant to Regulation 14 'Disclosure by the Board of Directors' of SEBI (Share Based Employee Benefits) Regulations, 2014:

The Shareholders at their meeting held on 4th September, 2009 approved "Employee Stock Option Scheme 2010" (hereinafter referred to as "ESOP Scheme". The Compensation Committee of the Directors had not granted any Stock Options during the financial year 2017-18. The details of the Stock Option granted under the ESOP Scheme are given below:

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

B. Standalone and Consolidated Diluted Earnings per Share (EPS) on issue of Ordinary Shares on Exercise of Options calculated in accordance with Indian Accounting Standard (IND-AS) 33 'Earning Per Share' is Rs. 5.80 and Rs. 6.20 respectively.

C. Details related to ESOP

Sr. No.	Description		Remarks
(i)	a) Date of Shareholders' approval	:	4th September, 2009
	b) Total number of options approved under the Scheme	:	Upto 40,00,000
	c) Vesting Requirements	:	Options granted under the ESOP Scheme would vest not less than one year and not more than five years from the date of grant of such options.
	d) Exercise Price or Pricing Formula	:	The options will be granted at either of the following exercise prices as decided by the Compensation Committee: 1. At a price upto maximum of 75% discount to the average of the closing market price (at a stock exchange as determined by the Compensation Committee) in the 30 trading days immediately preceding the date of grant of options. 2. At a price equal to the market price, being latest available closing price, prior to the date of the meeting of the Board of Directors in which options are granted/ shares are issued, on the stock exchange on which the shares of the company are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered; or 3. At a price equal to the average of the closing market price (at a stock exchange as determined by the Compensation Committee) in the 30 trading days immediately preceding the date of grant.
	e) Maximum term of options granted	:	The vested options should be exercised within three years from the date of such respective vesting
	f) Source of shares (primary, secondary or combination)	:	Primary
	g) Variation in terms of options	:	Nil
(ii)	Method used to account for ESOS	:	Based on intrinsic value method
(iii)	Difference between the employee compensation cost so computed at (ii) above and the employee compensation cost that shall have been recognized if it had used the fair value of the Options.	:	There is no difference in the employee compensation cost as no options were granted in the financial year 2017-18.
	The impact of this difference on Profits and on EPS of the Company	:	The effect of adopting the fair value method on the net income (standalone) and earnings per share is presented below: (Rs. in Crore)

			Net Income, as reported	317.70	
			Add: Intrinsic Value Compensation Cost	Nil*	
			Less: Fair value Compensation Cost (Black Scholes Model)	Nil*	
			Adjusted Net Income	317.70	
			Earning per share	Basic (Rs)	Diluted (Rs.)
			As reported	7.06	5.80
			As adjusted	7.06	5.80
(iv)	Option movement during the year				
	Number of options outstanding at the beginning of the period	:	4,22,875		
	Number of options granted during the year	:	Nil		
	Number of options forfeited / lapsed during the year	:	4,22,875		
	Number of options vested during the year	:	Nil		
	Number of options exercised during the year	:	Nil		
	Number of shares arising as a result of exercise of options	:	Nil		
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	:	Nil		
	Loan repaid by the Trust during the year from exercise price received	:	N.A.		
	Number of options outstanding at the end of the year	:	Nil		
	Number of options exercisable at the end of the year	:	Nil		
(v)	Weighted average exercise price and weighted average fair value of Options granted for Options whose exercise price either equals or exceeds or is less than the market price of the stock.	:	N.A.*		
(vi)	Details of Option granted to	:			
	i) Senior managerial personnel	:	**Name**	**No of options**	
			Nil	N.A.	
	ii) Any other employees who received a grant in any one year of Options amounting to 5% or more of the Options granted during that year.	:	**Name**	**No of options**	
			Nil	N.A.	
	iii) Identified employees who were granted Options during any one year, equal to or exceeding 1% of the issued capital excluding outstanding warrants and conversions) of the Company at the time of grant.	:	**Name**	**No of options**	
			Nil	N.A.	
(vii)	A description of the method and significant assumption used during the year to estimate the fair values of Options	:	The fair value of each options estimated using the Black Scholes Options Pricing Model after applying the following key assumptions (i) Risk free interest rate N.A. (ii) Expected life N.A. (iii) Expected volatility N.A. (iv) Expected dividend N.A. (v) The price of the underlying shares in market at the time of option grant N.A.		

Note: * No unvested options were outstanding during the year and hence no adjustment is required to be made.

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

The steps taken for conservation of energy:

1. **Ferro Alloy Plant Energy Conservation**

- **Waste Heat Recovery:**
  - Utilizing waste heat out of gases generated from 60 MVA furnaces by passing through WHRB & generating steam which is supplied to CRM.
  - Approx 70773 tones of steam generated in FY 2017-18 utilizing waste heat of flue gases.
  - To generate equivalent amount of steam quantity approx 18624 metric tons of coal is required, thereby saving of Rs. 521.48 Lakhs per annum.
- **Process Optimization:**
  - Furnace Loadings were optimized to uninterrupted higher load.
  - Maximize the usage of Briquettes by reducing hard lumps.
  - Streamlining of operations/Tapping activities with respect to furnace load.
  - Achieved business Results in reduction of Furnace Specific Power totalizing to an extent of 9997500 kWh per annum leading to a cost saving of Rs. 599.98 Lakhs.
- **Installation of VFD at SH-3 of Briquette plant:**
  - Installation of 37 KW VFD panel in Screen application for SH-3(Briquette -1) DRIER at RMHS was done to reduce the energy consumption.
  - Achieved annual savings of Rs. 6.23 Lakhs, Cost incurred – Rs. 1 Lakh.
- **Installation of VFD for Drier at RMHS:**
  - Installation of 45 KW VFD panel for DRIER at RMHS was done to regulate speed.
  - Address repeated maintenance issues relating to dislocation of inner dryer shell and rolling tyre damage and reduce the energy consumption.
  - Annual savings achieved Rs. 4.73 Lakhs, Cost incurred Rs. 1 Lakh.
- **Installation of LED lights:**
  - Replacement of 400 watt HPSV lights with 150 watt LED lights at High Mast in Ferro Alloys have been made in order to save energy.
  - Annual savings achieved Rs. 4.99 Lakhs, Cost incurred- Rs. 6.32 Lakhs.

2. **Captive Power Plant Energy Conservation**

- **Replacements of Conventional Pneumatic Actuators:**

- Retrofitting of Consistent Positioning Modulated Drive (Hart Type Electronic Actuator) done in place of Conventional Pneumatic actuator in PA Fan # 1A & PA Fan # 1B.

- Annual Energy Savings of 25,052 kWh financial saving of Rs.1.50 Lakhs per annum was achieved with an Investment of Rs. 5.48 Lakhs.

- We also retrofitted Consistent Positioning Modulated Drive (Hart Type Electronic Actuator) in place of Conventional pneumatic actuator in BFP # 1B. Substantial amount of energy conservation had been achieved by the same after implementing it in BFP-1A & BFP-2A during last financial year.

- Annual Energy Savings of 19404 kWh financial saving of Rs.1,16 Lakhs per annum was achieved with an Investment of Rs. 3.75 Lakhs.

➢ **Installation of VFD in DMCCW Pump-1C:**

- Reduction of Energy consumption by controlling the speed of DM cooling water Pump according to the cooling water flow requirement.

- We had to run the DM Cooling water pump with its discharge V/V in throttled condition to avoid the overloading of the Motor. After installing the VFD we are running the Pump with its Discharge V/V in fully open condition which led to

    - Substantial reduction in throttling loss.

    - Operating the Pump without overloading the Motor.

- Annual Energy Savings of 239976 kWh was achieved with financial saving of Rs.14.39 Lakhs per annum with an investment of Rs. 4.15 Lakhs.

➢ **Reduction in Aux. Power Consumption through Interconnection of LDO Pump line:**

- Earlier two dedicated LDO Pressurizing Pumps were running in order to supply LDO to both the Units respectively. After interconnecting the long & short recirculation lines of LDO we are able to supply LDO to both Units by running only one Pump.

- Annual Energy Savings of 53856 kWh was achieved with financial saving of Rs.3.23 Lakhs per annum.

➢ **Reduction in Aux Power Cons. through Interconnection of DM supplies pump & Service water pump:**

- Previously two separate Pumps i.e. Service Water Pump & DM Supply Pump used to be in service in order to supply auxiliary cooling water in Boiler & raw water to DM Plant for DM Water generation respectively.

- After providing an interconnection in between the discharge Header of both the Pumps we are able solve both the purposes by running either of the two pumps resulting in energy savings of stopping one Pump.

- Annual Energy Savings of 101534 kWh was achieved with financial saving of Rs. 6.09 Lakhs per annum with zero investment.

3. <u>Cold Rolling Mill Energy Conservation</u>

➢ **Installation of LED lights:**

- We installed 150 Watt LED lights instead of 400 Watt HPMV lights in HAPL Shed providing the nearly same illumination. Replacement 60 Nos. of 400 Watt HPMV lights with 150 watt LED lights at HAPL in order to save energy.

- Annual Energy Savings of 65700 kWh achieved with financial saving of Rs.3.94 Lakhs per annum with an investment of Rs. 56 Lakhs

➢ **Installation of VFD for Cooling Tower Fan:**

- Reduction of Energy consumption by controlling the speed of IDCW cooling tower fan motor according to basin water Temperature.
- We have to reduce fan speed at a minimum set point of motor to avoid splashing of water outside of cooling tower and also partially continue the cooling process. The fan motor runs on full load only, when the temperature of water increases above the set level. Following are the scope when motor can run on slow speed.
  - In winter season (Dec, Jan, Feb) night hours (Estimated Avg.10 hours per day from 6p.m to 5:00 am).
  - In Autumn season (Aug, sep, Oct & Nov) night hours (Estimated Avg. 5 hours per day)
  - In remaining 5 months at night hours 3 hour per day.
  - Less circulation rate LPH of IDCW water from basin due to any reason like low process demand, breakdown /shut down hours at individual lines will also make impact on fan motor low speed switching time.
- Installed 50 KW VVVF drive to reduce the energy consumption during low RPM hours.
- Verified annual energy saving after implantation of drive is ₹ 1.26 Lakhs with an investment of ₹ 8.25 lakhs.

4. Steel Melt Shop Energy Conservation

➢ **Process Optimization:**

- With a focus on Ladle Refining Furnace (LRF) operation, Energy saving achieved by controlled purging at various stages of process and increase in desulphurization rate and reduction in heat finalisation time.
- At the same time, sequences of heat casting at CCM are increased so as to increase ladle in circulation time by using selected quality flux.
- Annual savings achieved to an extent of 265917.25 kWh with a monetary saving of Rs 191.94 Lakhs.

5. Common Area & Street Lighting:

➢ **Installation of LED lights:**

- Replaced conventional lights with Energy Efficient LED lights for area & street lighting application inside the plant premises.
- Achieved a saving of 367701 KwH of Energy as well as a financial saving of Rs.22.06 Lakhs per annum with an Investment of Rs. 23.81 lakhs

Note: 1. Cost of Power is considered Rs. 6 /KwH
2. Cost of LPG is considered Rs. 40 /Kg

(B) TECHNOLOGY ABSORPTION

FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

1) Specific areas in which, the Company carried out Research and Development Certifications:

Your Company is certified for various product and management system certifications comprising of Quality Management System (ISO 9001), Environment Management System (ISO 14001) and Occupational Health & Safety Management System (BS OHSAS 18001). The certifications have successfully been upgraded to the latest versions and the unit is in receipt of the certificates as per ISO 9001:2015, ISO 14001:2015. The Company has undertaken initiative for obtaining Energy Management System certification (ISO 50001:2011) and has met the pre requisites for certification.

Various testing laboratories of the Company have adopted laboratory management system (ISO 17025:2005). The chemicals laboratories comprising of Materials, Steel Melt Shop & Coal Testing are already accredited to National Accreditation Board of Testing and Calibration Laboratory (NABL) as per ISO 17025:2005. Recently the Company's Mechanical and Metallurgical testing laboratory has got NABL accreditation adding another milestone in the journey of operational excellence. Scope of Construction Product Regulation (CE Marking) certification is expanded (applied and under process) to include grade EN 1.4462 of Duplex Stainless Steel. This will enhance Company's preference as certified manufacturer of stainless steel for construction field in the European market with 11 grades covered under the CE marking scope. AD/ PED certification is valid until Feb 2019 & PEMEX certification valid till sept 2018 . Your Company's Jajpur Unit has successfully received DNV GL Approval for Marine Application and also received Approval from Bureau Veritas as per Marine & Offshore General Conditions.

Your Company has REACH/RoHS certification for 200, 300 & 400 series stainless steel grades. This includes compliance to the 7 new additions of Substances of Very High Concern (SVHC) in the REACH regulation 1907/2006.

Your Company has received ISI mark/ BIS certification for Stainless Steel grades as per IS 6911: 1992 (Stainless steel plate, sheet and strips). This has enabled us to be first stainless steel manufactured to receive BIS license for stainless steel as per IS 6911: 1992. Other BIS license includes certifications as per IS 5522: 2014 (Stainless Steel Sheets and Strips for Utensils) and IS 15997:2012 (Low Nickel Austenitic Stainless Steel and Strip for Utensils and Kitchen Appliances). Your Company is in receipt of JIS Mark Certification as per JIS (Japanese Industrial Standard) JIS G 4304, JIS G 4305 and JIS G 4312 requirements for stainless steel products. With JIS certification, your Company is able to sell stainless steel products in Japan and East Asian countries.

Awards and recognition:

Golden Peacock National Training Award (GPNTA):

Your Company has received Golden Peacock National Training Award for significant achievement in the field of excellence in Training on 19th April 2017.

Best Performance Award:

Your Company bagged 'Best Performance Award' for Mega Scale Industry during UCCI Expo 2017 on 4th April, 2017.

Best Energy Efficient Case Study Winner:

Your Company participated in the CII - National Energy Efficiency Circle (EC) competition held at New Delhi on 18th &19th May 2017, and was declared as "Winner" under ''Best Energy Efficiency Case Study'' Category for presenting project on "Recovering Waste Heat with WHRB"

Gold Award in CCQC -2017:

Your Company participated in CCQC (Chapter Convention on Quality Concepts) with two teams at CSIT Durg, organised by QCFI, Bhilai Chapter on 9th & 10th September 2017 and have won Gold Awards in QC and Kaizen CASE STUDIES.

Par Excellence Award in NCQC -2017:

Your Company participated in National Convention on Quality Concepts (NCQC) 2017 with two teams held at Mysore from 30th November to 4th December 2017 and have won 'Par Excellence' Awards. With this award, the winning teams have qualified for participation in International level quality circle competition ICQCC (International Convention on Quality Control Circles).

Development of new products:

- Successful Development of new grades at JSL, Jajpur unit during thr financial year 2017-18 include 317L and 436L.

2) **Developmental achievements & Process Improvement:**

- Development of Hairline Finish in 304L grade.
- Development of Elevator segment in grade 304/441.
- Successful hot rolling of HNS grade in 4/6mm thickness.
- Development of 2B from HAPL route in ≤ 3mm thickness in grade X2CrNi12.
- Improvement in mechanical properties of grade JT by modifying Temperature profile and strip temperature.
- Minimisation of Segregation diversion in grades 304/304L through Boron addition and RHF temperature control.
- Minimisation of Hole defect in 409L grade by modifying HSM practices.
- Minimisation of edge crack in grade JT by modifying RHF discharge temperature.
- Improvement of productivity in 300Series grades at HAPL by increasing temperature.
- Improvement of productivity in grade JT at HAPL by increasing strip temperature.
- Trial taken to improve bell productivity in 410DB grade by modifying bell cycle.
- Minimisation of edge crack in grade 410S by optimising chemistry and reheating practices.
- Minimisation of edge slivers in grade 410DB by optimising chemistry and reheating practices.

3) Cost Reduction:

- Processing of JT & 304 grade through 2B from HAPL in particular thickness ≤ 3mm, thus saving up on costs.
- Processing of X2CrNi12 grade through 2B/2D from HAPL route.

4) Benefits derived:

- Value addition of Grade – 304L, HL finish–new application.

5) Research & Development activities:

- Industry-academia collaboration with IIT BBS to develop process technology & resolve technical issues as well as to gain a global recognition for leading stainless steel producer. Interaction with other reputed institutes IIT Chennai, IIT KGP, IMMT BBSR, and IIT Kanpur has also been carried out as an initiative for collaboration.
- Stand alone R&D testing facilities have been initiated for Salt spray test, Crevice/pitting corrosion test, Stress corrosion testing setup, R-bar evaluation etc. Facilities enhancement plan has been made by placing procurement order for Deep draw ability test equipment, Potentiostat, Thermocalc, Minitab, LECO.
- Use of BCG analytical tool & Vegam platform for defect correlation with process parameters.
- **Expenditure on R&D:**

	(₹ in Lakhs)
Capital	100
Revenue	45
Total	**145**
Total R&D expenditure as percentage of turnover	**0.02%**

A. Cold Rolling Mill

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

Jajpur CRM plant comprises the latest technology from Europe, any and every increase in yield or decrease in consumables has a large effect on the carbon foot print & also cost to the Company. Being one of the leading producers of the SS in the country & even with the state-of-the-art technology and equipments we have made continual efforts to further reduce wastages and improve beyond the designed capabilities.

Taking a step forward to the mission of the Company, CRM also catered materials to customers like Bombardier this year and have been successfully acknowledged by the customer regarding our superior product quality.

CRM has also been continually making efforts in making out maximum from the existing resource like:

- Installation of laser curtains at HRCTL & CRCTL as a safety development.
- In house development of scrap transfer trolleys.
- Automatic marking/printing on sheets at CTL through SAP plan and display on monitor to avoid any manual error and productivity improvement with idle time minimization.
- In house developed manual packet lifter for faster sheet handling.
- Development of Hair Line finish and trial sample sent for approval to few customers (Parag Metals, Nexus Impex).
- Yield and productivity improved in Railways material supply in X2CrNi12 Grade through improved process route.

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

The overall benefits from the initiatives taken are apparent. To name some:

- Automatic line stoppage facility due to laser curtains with the intervention of any unwanted trespassers.
- Safe handling and transport of loose cut scraps.
- In view of Social responsibility for better environment & cost effectiveness reduction in steel wastage by Overall Yield improvement.
- Improved productivity led to rise in finish production in FY'17-18 w.r.to FY'16-17
- Increased energy efficiency through Power saving of approx. 6 Lakhs per annum by replacing 400 watt HPMV lights with 150 watt LED lights.

B. Steel Melting Shop

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

Steel melting shop with its augmented state of the art facility has shown stupendous performance by increasing its annual production by 7,99,731 MT from 725.6 KT in last fiscal. Significant efforts have been made towards reduction of both conversion cost and raw material cost by continual improvement of operating practices which led to decline of costs incurred for refractory, power, fuel and electrode and use of cheaper raw material.

An effort towards conservation of energy has been commendable. Liquid Chrome usage has been introduced in transfer ladle alongside EAF with 40% increase in Liquid Cr consumption. An induction furnace is started intended to run on inadvertent power only. Average per day inadvertent power saving is 5 MW.

Alongside production, the commitment towards environment and safety has been of highest order. A positive trend is also evident in the energy utilization of the department with reduction in usage of both electrical energy and fuel sources as compared to the previous years. New grades like UNS 2205, HNS 321H were produced which added new dimension stainless steel market segment.

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

- Efforts towards continual improvement have resulted in 10% increase in capacity utilization of plant compared to last fiscal and also reached 100% of installed capacity.
- Transfer Ladle operated at highest life of 131 heats.
- Significant improvement in AOD achieving ever highest of 202 Heats, with highest productivity of tapping of 21 heats in a day is an evidence of our efforts towards process efficiency.
- Highest sequence of 14 heats and highest average sequencing of 5.25 heats have been accomplished in this fiscal.

C. Captive Power Plant

Captive Power Plant (2X125MW) generated 1,832 million units (gross) of power in FY 2017-18 vs 1785 MU in FY 2016-17. Total plant load factor gross generation achieved 84% in 2017-18.

Efforts made:

- Energy savings potential of 2, 14,566 units/year achieved by modifying CT Fan-6 at required vacuum effecting low power consumption in auxiliaries.
- Energy savings potential of 3,600 units/year achieved by modifying RO Plant HRSCC sludge discharge system by replacing motorize system to gravity system.
- Energy savings potential of 27,337 units/year achieved by application of electronic actuator instead of pneumatic actuator in U#2 both PA fans.
- Energy savings potential of 38,948 units/year achieved by application of electronic actuator instead of pneumatic actuator in BFP#1A & BFP#2A.
- By commissioning of Reverse Osmosis plant for effective reuse of Cooling Tower Blow down water 500 m3/Day Cooling Tower Blow down water is recycled & equivalent make up water is reduced.

Future action plan:

- APH main motor to be replaced by energy efficient motor.
- All CT fan except Fan – 6 to be modified by fiber materials with effecting of low power consumption.
- U#1 both PA Fans to be modified by application of electronic actuator instead of pneumatic actuator.
- Energy to be saved /year achieved by application of electronic actuator instead of pneumatic actuator in BFP#1B & BFP#2B.

CRMHS (Central Raw material handling system)

I. Efforts made:

In order to minimize the cost of unloading, truck tippler 1, 2 & 3 project has been commissioned. Parallel conveyor J4C2 has also been commissioned which helps in direct stacking of coking coal without hampering Truck Tippler unloading and CPP feeding. By installation of Pre wetting and Water Mist System in Wagon Tippler fugitive dust emission from coal unloading has been suppressed.

II. Benefits derived as a result of the above efforts

- The transportation cost of coal reduced.
- The generation cost of power reduced.
- The Handling losses during transportation reduced.
- The mixing of foreign materials with coal in the general railway siding has minimized.
- The cost of coal feeding has reduced as feeding is directly from the wagon tippler to bunkers of coke oven and CPP.

Future action plan:

Installation of parallel conveyor J12C2 which will reduce the risk of single conveyor feeding to CPP and ensure redundant conveyor line for continuous coal feeding. Ring granulated crusher to be installed in conveyor J2C1 discharge.

Benefits derived as a result of the above efforts

- The unloading cost of coal reduced by Rs 40/MT by truck tippler over manual unloading.
- The generation cost of power reduced due to lower coal handling cost (Avg. 1.2p/Unit).
- The penalty for delay in unloading of rake imposed by Railways is avoided.
- The environmental impact due to fugitive dust emission has reduced.

D. Railway Siding

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

a) After starting operations in November, 2015, the JSL Railway Siding has been on a continuous path of increasing traffic volume catering to different commodities like containerized cargo and bulk cargo like coal, fluxes and also carbon steel slabs and HR coils. Multimodal concept for despatch of SS has also been incorporated successfully. The highest traffic volume reached 103 rakes in November, 2016.

b) For lashing and choking of FG export containers an innovative method using Expandable Polystyrene blocks (EPS) has been adopted. Presently about 500 containers are being stuffed using this method.

c) Commissioning of Goliath Crane for faster loading/unloading of slabs & coils.

II. JSLS-Railway Siding Benefits derived as a result of the above efforts:

a) Consistent operations of railway siding have resulted in substantial savings on freight in addition to effective control on transit losses and pilferage. This has also resulted in reducing road congestion inside and outside the plant thereby improving vehicle turnaround time and enhancing safety.

b) Lashing and choking using EPS blocks has resulted in significant reduction in vehicle turnaround time and also cost of container stuffing.

Future plan for the railway siding

The ICD project is in and advanced stage and due for completion and commissioning in the near future. This will improve container availability and also reduce transportation and detention costs.

Foreign Exchange Earnings & Outgo	2017-18 (₹ in Crore)
Foreign Exchange Earnings	2,559.98
Foreign Exchange Outgo	4,038.09

ANNEXURE III TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

To,
The Members,
Jindal Stainless Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company (as per Annexure – A1, hereinafter referred to as "Books and Papers") and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 01, 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 and Papers maintained by the Company for the Audit Period according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment, Foreign Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-

    - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SAST Regulations);
    - The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations');
    - Securities Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI (ICDR) Regulations, 2009");
    - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
    - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

6. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

    a) Mines Act, 1952 read with Mines Rules, 1955;
    b) Mines and Minerals (Development and Regulation) Act, 1957 and Mineral Conservation and Development Rules, 1985;
    c) Mines Vocational Training Rules, 1966;
    d) Metalliferous Mines Regulations, 1961.
    e) Mines Rescue Rules, 1985;
    f) Mining Leases (Modification of Terms) Rules, 1956.
    g) Payment of Wages Act, 1936 and Payment of Wages (Mines) Rules, 1956;
    h) The Payment of Undisbursed Wages (Mines) Rules, 1989;
    i) The Iron Ore Mines Manganese Ore Mines and Chrome Ore Mines Labour Welfare Fund Rules, 1978;
    j) Iron Ore Mines Manganese Ore Mines and Chrome Ore Mines Labor Welfare Fund Act, 1976;
    k) Orissa Minerals (Prevention of Theft, Smuggling & Illegal Mining and Regulation of Possession, Storage, Trading and Transportation) Rules, 2007 along with OMPTS Amendment Rules, 2015;
    l) Orissa Minor Mineral Concession Rules, 2004;
    m) Collection of Statistics Act, 2008;

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

a. Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India;

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

Management Responsibility:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or examined any books, information or statements other than Books and Papers;

4. We have not examined any other specific laws except as mentioned above;

5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;

7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the 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 affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

a. Allotment of equity shares upon conversion of Funded Interest Term Loan I and Funded Interest Term Loan II

The Company has allotted 605,70,320 equity shares having face value of Rs. 2 each of the Company to the lenders of the Company upon conversion of Funded Interest Term Loan I and Funded Interest Term Loan II at a price of Rs. 39.10 (including premium of Rs.37.10) per share aggregating to Rs. 236,82,99,512 by way of preferential allotment on a private placement basis on May 26, 2017.

b. Allotment of Optionally Convertible Redeemable Preference shares ('OCRPS') upon conversion of Funded Interest Term Loan I and Funded Interest Term Loan II

The Company has allotted 14,28,30,637 0.01% Optionally Convertible Redeemable Preference shares ('OCRPS') having face value of Rs. 2 each to the lenders of the Company upon conversion of Funded Interest Term Loan I and Funded Interest Term Loan II at a price of Rs. 39.10 (including premium of Rs.37.10) per OCRPS aggregating to Rs. 558,46,77, 906.70 by way of preferential allotment on a private placement basis on May 26, 2017.

c. Allotment of equity shares upon conversion of Warrants ('CCWs')

The Company has allotted 191,81,586 equity shares having face value of Rs. 2 each to Virtuous Tradecorp Private Limited upon conversion of CCWs on March 28, 2018.

Place: **Kolkata**
Date: **July 08, 2018**

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

Arun Kumar Maitra
Partner
Membership No: A3010
CP No.: 14490

ANNEXURE – IV TO DIRECTORS REPORT
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 weblink 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://jslstainless.com/pdf/JSL%20CSR%20Policy.pdf

2. The composition of the CSR Committee:

   Mr. Ratan Jindal - Chairman of the Committee
   Mr. T.S. Bhattacharya - Member
   Mr. Tarun Kumar Khulbe $ – Member
   $ Mr. Tarun Kumar Khulbe was appointed as a Member of the Committee w.e.f. 15th May, 2018. Mr. S. Bhattacharya ceased to be Director and consequently Member of the Committee w.e.f. 15th May, 2018.

3. Average net profit * of the company for last three financial years: NIL**

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Not Applicable

5. Details of CSR spent during the financial year.

   (a) Total amount to be spent for the financial year: Not Applicable
   (b) Amount unspent, if any: Not Applicable
   (c) Total amount spent voluntarily in the financial year: ₹ 3,34,13,353 #
   (d) Manner in which the amount spent during the financial year is provided below.

6. In case the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, the reasons for not spending the amount: 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 the policy of the Company.

* For the purpose of Section 135, "average net profit" shall be calculated in accordance with the provisions of section 198 of the Companies Act, 2013

** The Company did not have average net profits during the preceding three financial years, hence the average net profit has been shown as NIL.

\# The Company was not required to spend on CSR as per provisions of Section 135 of the Companies Act, 2013 read with relevant rules thereof. However, the Company has voluntarily spent amount of ₹ 3,34,13,353 during Financial Year 2017-18. Hence the disclosure.

CSR project or activity indentified	Sector in which the project is covered	Projects or programs 1.Local area or other 2.Specify the state and district where projects or programs was undertaken	Amount spent on the project or programs sub-heads (in ₹)	Cumulative expenditure upto the reporting period $ (in ₹)	Amount spent: Direct or through implementing agency
Promotion of Education & Skill Training: Digital Equaliser Programme, Navodaya Coaching Centre; Early Childhood Education and Care Student to Scholar Programme; Village Library Subject teachers for Budhraja High School; Computer Education in High Schools; Deskit school bags for children; Skill Training - for local Youths in IT, ITes, Beauty & Wellness, Sewing, advance electrical etc.	Promotion of Education	Danagadi, Sukinda and Korei Blocks of Jajpur District of Odisha	79,34,589	1,06,04,301	Both directly and through implementing agency
Women Empowerment & Gender Equality: Women Self help Groups; Sanjivanee Programme : Livelihood Promotion Activities (food processing, ASMITA Boutique, ASMITA Production centre, Sahaja Sanitary Napkin etc.); Tailoring Training Centres, Boutique centres, Farm income generating activities such as diary, goatery, sheepery, poultry, mushroom cultivation etc. are promoted; ZMQ Mira Channel set up to create awareness on women's health; Grassic Design project running at Antia village to promote traditional art & craft.	Women Empowerment and Gender Equality	Danagadi, Sukinda, and Dharamsala Blocks of Jajpur District, Odisha	40,26,822	66,48,238	Both directly and through implementing agency
Community Health Care Project: Static and Mobile Health Clinics with free dispense of medicines; Dental Care Units at Nadiabhanga, Kaliapani and CHC, Danagadi; Malaria Control Programme, Awareness on different other health issues	promoting health care including preventive health care	Danagadi and Sukinda Blocks of Jajpur District of Odisha	42,46,244	55,41,615	Both directly and through implementing agency
Rural Development Projects: Farmers development project Renovation of Farmers incubation centre, Bio fuel efficient stoves, Animal resources Development Project; Seating bench & water purifier installed at Sukinda road railway station; solar photovoltaic irrigation systems and water supply systems; Water Purification System in schools, water purification plants set up in schools for safe drinking water	Rural Development Projects	Danagadi, Sukinda and Korei Blocks of Jajpur District of Odisha	64,52,162	1,06,19,199	Both directly and through implementing agency
		TOTAL	**2,26,59,817**	**3,34,13,353**	

$ Though the Company has been voluntarily spending on CSR initiatives for several years, for the purpose of computing cumulative expenditure, amount incurred during the financial year 2016-17 (when the Company was first required to publish the report on CSR), has been added to the CSR expenditure incurred during the year 2017-18.

ANNEXURE V 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	L26922HR1980PLC010901
(ii)	Registration Date	29th September, 1980
(iii)	Name of the Company	Jindal Stainless 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@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 UK Limited 75, Park Lane Croydon,Surrey, London, CR 9 1 XS, UK	N.A.	Subsidiary	100.00	2(87)(ii)
2	Jindal Stainless FZE, Dubai Jebel Ali Free Zone, Dubai, United Arab Emirates	N.A.	Subsidiary	100.00	2(87)(ii)
3	PT Jindal Stainless Indonesia Kawasan Industri, Maspion, V/ Desa Sukomulyo Manyar Gresik 61151, Indonesia	N.A.	Subsidiary	99.99	2(87)(ii)
4	JSL Group Holdings Pte. Ltd., Singapore 302, Upper Paya, Lebar Road, Tai Keng, Shopping Centre,Singapore 534935	N.A.	Subsidiary	100.00	2(87)(ii)
5	Iberjindal S.L., Spain Ctra, Cordoba – Malaga, km 80'800, 14900 Lucena (Cordoba) Espana	N.A.	Subsidiary	65.00	2(87)(ii)
6	Jindal United Steel Limited O.P. Jindal Marg, Hisar – 125005, Haryana	U28113HR2014PLC053875	Associate	26.00	2(6)
7	Jindal Coke Limited O.P. Jindal Marg, Hisar – 125005, Haryana	U23101HR2014PLC053884	Associate	26.00	2(6)
8	Jindal Stainless Corporate Management Services Pvt. Ltd. 12, Bhikaiji Cama Place, New Delhi	U74140HR2013PTC049340	Associate	50.00	2(6)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year – 1st April, 2017 (Face value of ₹ 2/- each)				No. of Shares held at the end of the year – 31st 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	0.16	670,267		670,267	0.14	0.02
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	220,439,559	-	220,439,559	55.18	239,621,145	-	239,621,145	50.00	5.18
e. Banks / FI									
f. Any Other	-	-	-	-	600	-	600	0.00	0.00
Sub-total (A) (1)	**221,085,646**	**-**	**221,085,646**	**55.34**	**240,292,012**	**-**	**240,292,012**	**50.14**	**5.20**
(2) Foreign									
a. NRIs – Individuals	7,523,053	-	7,523,053	1.88	7,500,873	-	7,500,873	1.57	0.31
b. Other – Individuals	-	-	-	-					
c. Bodies Corp.	54,260,440	-	54,260,440	13.58	54,260,440	-	54,260,440	11.32	2.26
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**61,783,493**	**-**	**61,783,493**	**15.47**	**61,761,313**	**-**	**61,761,313**	**12.89**	**3.9**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**282,869,139**	**-**	**282,869,139**	**70.81**	**302,053,325**	**-**	**302,053,325**	**63.03**	**7.78**
B. Public Shareholding									
(1) Institutions									
a. Mutual Funds	4,801,926	14,300	4,816,226	1.21	15,365	14,300	29,665	0.01	1.20
b. Banks / FI	54,323	22,560	76,883	0.02	60,495,143	22,640	60,517,783	12.63	12.61
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	2,424,934	-	2,424,934	0.61	538,755	-	538,755	0.11	0.50
g. FIIs/ Foreign Portfolio Investors	49,889,729	13,740	49,903,469	12.49	53,496,192	13,520	53,509,712	11.17	1.32
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Any Others	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	**57,170,912**	**50,600**	**57,221,512**	**14.32**	**114,545,455**	**50,460**	**114,595,915**	**23.91**	**9.59**
(2) Non-Institutions									
a. Bodies Corp.									
(i) Indian	15,743,269	61,091	15,804,360	3.96	15,926,659	61,091	15,987,750	3.34	0.62
(ii) Overseas	-	1,690	1,690	0.00	-	1,690	1,690	0.00	-
b. Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	18,283,581	2,754,667	21,038,248	5.27	20,324,607	2,647,426	22,972,033	4.79	0.48
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1,794,125	-	1,794,125	0.45	2,783,503	-	2,783,503	0.58	0.13

Category of Shareholders	No. of Shares held at the beginning of the year – 1st April, 2017 (Face value of ₹ 2/- each)				No. of Shares held at the end of the year – 31st March, 2018 (Face value of ₹ 2/- each)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(iii) Others	2,537,781	598,565	3,136,346	0.79	2,635,960	587,150	3,223,110	0.67	0.12
Sub-total (B) (2)	**38,358,756**	**3,416,013**	**41,774,769**	**10.46**	**41,670,189**	**3,297,357**	**44,968,086**	**9.38**	**1.08**
Total shareholding of Public (B) = (B)(1)+(B)(2)	**95,529,668**	**3,466,613**	**98,996,281**	**24.78**	**156,215,644**	**3,347,817**	**159,564,001**	**33.30**	**8.52**
C. Shares held by Custodian for GDRs & ADRs									
Promoter & Promoter Group	16,734,984	-	16,734,984	4.19	16,734,984	-	16,734,984	3.49	0.7
Public	869,350	-	869,350	0.22	869,350	-	869,350	0.18	0.04
Grand Total (A)+(B)+(C)	**396,003,141**	**3,466,613**	**399,469,754**	**100**	**475,873,303**	**3,347,817**	**479,221,660**	**100**	**-**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year – 1st April, 2017 (Face value of ₹ 2/- each)			Shareholding at the end of the year – 31st 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	0.20	0.20	811,350	0.17	0.17	0.03
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	0.52	0.51	2,074,930	0.43	0.42	0.08
5	Deepika Jindal	69,265	0.02	-	69,265	0.01	-	0.01
6	Ever Plus Securities & Finance Limited	1,157,835	0.29	0.29	1,157,835	0.24	0.24	0.05
7	Gagan Trading Company Limited	2,454,295	0.61	0.61	2,454,295	0.51	0.51	0.1
8	Goswamis Credits & Investments Limited	877,795	0.22	0.16	877,795	0.18	0.13	0.04
9	Hexa Securities & Finance Co Ltd	4,931,175	1.23	1.23	4,931,175	1.03	1.03	0.2
10	Jindal Equipment Leasing and Consultancy Services Limited	5,735,555	1.44	1.44	5,735,555	1.20	1.20	0.24
11	JSW Holdings Limited	460,720	0.12	0.12	460,720	0.10	0.10	0.02
12	Nalwa Sons Investments Limited	347,945	0.09	0.09	347,945	0.07	0.07	0.02
13	Kamal Kishore Bhartia	1,550	0.00	-	3,550	0.00	-	0.00
14	Manjula Finances Ltd	1,012,080	0.25	0.25	1,012,080	0.21	0.21	0.04
15	Mansarover Investments Limited	3,797,210	0.95	0.95	3,797,210	0.79	0.79	0.16
16	Meredith Traders Pvt Ltd	422,210	0.11	0.11	422,210	0.09	0.09	0.02
17	Nalwa Engineering Co Ltd	747,290	0.19	0.19	747,290	0.16	0.16	0.03
18	Nalwa Investment Limited	1,707,110	0.43	0.43	1,707,110	0.36	0.36	0.07
19	Naveen Jindal	12,768	0.00	-	12,768	0.00	-	-
20	Naveen Jindal HUF	107,860	0.03	-	107,860	0.02	-	0.01
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	0.01	-	58,290	0.01	-	-
24	Ratan Jindal	7,424,148	1.86	-	7,424,148	1.55	-	0.31
25	R K Jindal & Sons HUF	13,940	0.00	-	13,940	0.00	-	-
26	Renuka Financial Services Ltd	886,620	0.22	0.22	886,620	0.19	0.18	0.03
27	Rohit Tower Building Ltd	31,200	0.01	0.01	31,200	0.01	0.01	-
28	Sajjan Jindal	47,748	0.01	-	-	-	-	0.01
29	S K Jindal and Sons HUF	33,330	0.01	-	33,330	0.01	-	-
30	Sangita Jindal	46,910	0.01	-	94,658	0.02	-	0.01
31	Sarika Jhunjhunwala	76,725	0.02	-	76,725	0.02	-	-
32	Saroj Bhartia	40	0.00	-	40	0.00	-	-
33	Savitri Devi Jindal	88,573	0.02	-	88,573	0.02	-	-
34	Seema Jajodia	900	0.00	-	900	0.00	-	-
35	Sminu Jindal	43,875	0.01	-	43,875	0.01	-	-
36	Stainless Investments Limited	1,442,895	0.36	0.36	1,442,895	0.30	0.30	0.06
37	Sun Investments Pvt. Limited	9,296,780	2.33	2.33	9,296,780	1.94	1.94	0.39
38	Tanvi Shete	11,995	0.00	-	11,995	0.00	-	-
39	Tarini Jindal Handa	12,000	0.00	-	12,000	0.00	-	-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year – 1st April, 2017 (Face value of ₹ 2/- each)			Shareholding at the end of the year – 31st 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
40	Tripti Jindal	12,175	0.00	-	12,175	0.00	-	-
41	Urvi Jindal	11,605	0.00	-	11,605	0.00	-	-
42	Vrindavan Services Private Limited	4,946,705	1.24	1.24	4,946,705	1.03	1.03	0.21
43	JSL Overseas Holdings Limited$	27,700,000	6.93	6.76	54,260,440	11.32	11.18	4.39
44	JSL Overseas Limited	26,560,440	6.65	6.65	-	-	-	-
45	Jindal Strips Limited	5,314,090	1.33	1.33	5,314,090	1.11	1.11	0.22
46	Siddeshwari Tradex Private Limited	2,755,890	0.69	0.69	2,755,890	0.58	0.58	0.11
47	Jindal Rex Exploration Private Limited	929,730	0.23	0.23	929,730	0.19	0.19	0.04
48	Jindal Stainless (Hisar) Limited	168,284,309	42.13	42.13	168,284,309	35.12	35.12	7.01
49	Jindal Coke Limited	6,920	0.00	-	6,920	0.00	-	-
50	Jindal United Steel Limited	6,920	0.00	-	6,920	0.00	-	-
51	Virtuous Tradecorp Private Limited				19,181,586	4.00	-	4.00
52	Sajjan Jindal (as a trustee for Sajjan Jindal Family Trust)	-	-	-	100	0.00	-	0.00
53	Sajjan Jindal (as a trustee for Sajjan Jindal Lineage Trust)	-	-	-	100	0.00	-	0.00
54	Sajjan Jindal (as a trustee for Sangita Jindal Family Trust)	-	-	-	100	0.00	-	0.00
55	Sajjan Jindal (as a trustee for Tarini Jindal Family Trust)	-	-	-	100	0.00	-	0.00
56	Sajjan Jindal (as a trustee for Tanvi Jindal Family Trust)	-	-	-	100	0.00	-	0.00
57	Sajjan Jindal (as a trustee for Parth Jindal Family Trust)	-	-	-	100	0.00	-	0.00
	Total	**282,869,139**	**70.81**	**68.52**	**302,053,325**	**63.03**	**57.11**	**-**

Note-1

$ JSL Overseas Holdings Limited also holds 8,367,492 GDS representing 16,734,984 Equity shares of Rs.2/- each.

(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	0.20	811,350	0.17	-	-	-	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	0.52	2,074,930	0.43	-	-	-	2,074,930
5	Deepika Jindal	69,265	0.02	69,265	0.01	-	-	-	69,265
6	Ever Plus Securities & Finance Limited	1,157,835	0.29	1,157,835	0.24	-	-	-	1,157,835
7	Gagan Trading Company Limited	2,454,295	0.61	2,454,295	0.51	-	-	-	2,454,295
8	Goswamis Credits & Investments Limited	877,795	0.22	877,795	0.18	-	-	-	877,795
9	Hexa Securities & Finance Co Ltd	4,931,175	1.23	4,931,175	1.03	-	-	-	4,931,175
10	Jindal Equipment Leasing and Consultancy Services Limited	5,735,555	1.44	5,735,555	1.20	-	-	-	5,735,555
11	JSW Holdings Limited	460,720	0.12	460,720	0.10	-	-	-	460,720
12	Nalwa Sons Investments Limited	347,945	0.09	347,945	0.07	-	-	-	347,945
13	Kamal Kishore Bhartia	1,550	0.00	3,550	0.00	01.09.2017	-	2,000	3,550
14	Manjula Finances Ltd	1,012,080	0.25	1,012,080	0.21	-	-	-	1,012,080
15	Mansarover Investments Limited	3,797,210	0.95	3,797,210	0.79	-	-	-	3,797,210
16	Meredith Traders Pvt Ltd	422,210	0.11	422,210	0.09	-	-	-	422,210

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
17	Nalwa Engineering Co Ltd	747,290	0.19	747,290	0.16	-	-	-	747,290
18	Nalwa Investment Ltd	1,707,110	0.43	1,707,110	0.36	-	-	-	1,707,110
19	Naveen Jindal	12,768	0.00	12,768	0.00	-	-	-	12,768
20	Naveen Jindal HUF	107,860	0.03	107,860	0.02	-	-	-	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	0.01	58,290	0.01	-	-	-	58,290
24	Ratan Jindal	7,424,148	1.86	7,424,148	1.55	-	-	-	7,424,148
25	R K Jindal & Sons HUF	13,940	0.00	13,940	0.00	-	-	-	13,940
26	Renuka Financial Services Ltd	886,620	0.22	886,620	0.19	-	-	-	886,620
27	Rohit Tower Building Ltd	31,200	0.01	31,200	0.01	-	-		31,200
28	Sajjan Jindal	47,748	0.01	-	-	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	0.01	94,658	0.02	2.12.2017*	-	47,748	94,658
31	Sarika Jhunjhunwala	76,725	0.02	76,725	0.02	-	-	-	76,725
32	Saroj Bhartia	40	0.00	40	0.00	-	-	-	40
33	Savitri Devi Jindal	88,573	0.02	88,573	0.02	-	-	-	88,573
34	Seema Jajodia	900	0.00	900	0.00	-	-	-	900
35	Sminu Jindal	43,875	0.01	43,875	0.01	-	-	-	43,875
36	Stainless Investments Limited	1,442,895	0.36	1,442,895	0.30	-	-	-	1,442,895
37	Sun Investments Pvt.Limited	9,296,780	2.33	9,296,780	1.94	-	-	-	9,296,780
38	Tanvi Shete	11,995	0.00	11,995	0.00	-	-	-	11,995
39	Tarini Jindal Handa	12,000	0.00	12,000	0.00	-	-	-	12,000
40	Tripti Jindal	12,175	0.00	12,175	0.00	-	-	-	12,175
41	Urvi Jindal	11,605	0.00	11,605	0.00	-	-	-	11,605
42	Vrindavan Services Private Limited	4,946,705	1.24	4,946,705	1.03	-	-	-	4,946,705
43	JSL Overseas Holdings Limited$	27,700,000	6.93	54,260,440	11.32	22.05.2017 29.05.2017	-	5,810,440** 10,750,000 ***	54,260,440
44	JSL Overseas Limited	26,560,440	6.65	-	-	22.05.2017 29.05.2017	15,810,440 10,750,000	- -	-
45	Jindal Strips Limited	5,314,090	1.33	5,314,090	1.11	-	-	-	5,314,090
46	Siddeshwari Tradex Private Limited	2,755,890	0.69	2,755,890	0.58	-	-	-	2,755,890
47	Jindal Rex Exploration Private Limited	929,730	0.23	929,730	0.19	-	-	-	929,730
48	Jindal Stainless (Hisar) Limited	168,284,309	42.13	168,284,309	35.12	-	-	-	168,284,309
49	Jindal Coke Limited	6,920	0.00	6,920	0.00	-	-	-	6,920
50	Jindal United Steel Limited	6,920	0.00	6,920	0.00	-	-	-	6,920
51	Virtuous Tradecorp Private Limited	-	-	19,181,586 @	4.00	28.03.2018	-	19,181,586	19,181,586
52	Sajjan Jindal (as a trustee for Sajjan Jindal Family Trust)	-	-	100	0.00	28.09.2017	-	100	100
53	Sajjan Jindal (as a trustee for Sajjan Jindal Lineage Trust)	-	-	100	0.00	28.09.2017	-	100	100
54	Sajjan Jindal (as a trustee for Sangita Jindal Family Trust)	-	-	100	0.00	28.09.2017	-	100	100
55	Sajjan Jindal (as a trustee for Tarini Jindal Family Trust)	-	-	100	0.00	28.09.2017	-	100	100
56	Sajjan Jindal (as a trustee for Tanvi Jindal Family Trust)	-	-	100	0.00	28.09.2017	-	100	100
57	Sajjan Jindal (as a trustee for Parth Jindal Family Trust)	-	-	100	0.00	28.09.2017	-	100	100
		282,869,139	**70.81**	**302,053,325**	**63.03**				

@ Conversion of CCW into Equity shares

JSL Overseas Holdings Limited also holds 8,367,492 GDS representing 16,734,984 underlying equity shares of Rs.2/- each.

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

** On 22nd May, 2017, 15,810,440 shares held by JSL Overseas Limited has been transferred to JSL Overseas Holdings Limited.

*** On 29th May, 2017, 10,750,000 shares held by JSL Overseas Limited has been transferred to JSL Overseas Holdings Limited.

(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	Elm Park Fund Limited	19,726,392	4.94	19,726,392	4.12	-	-	-	19,726,392
2	Hypnos Fund Limited	19,401,711	4.86	19,401,711	4.05	-	-	-	19,401,711
3	Reliance Capital Trustee Co. Ltd. a/c Reliance Diversified Power Sector Fund	4,786,561	1.20	0	0	07.04.2017	411,825	-	0
						14.04.2017	100,000	-	
						12.05.2017	160,550	-	
						19.05.2017	39,450	-	
						02.06.2017	150,000	-	
						09.06.2017	44,386	-	
						16.06.2017	112,185	-	
						23.06.2017	27,091	-	
						07.07.2017	154,213	-	
						14.07.2017	19,160	-	
						01.09.2017	37,504	-	
						08.09.2017	106,230	-	
						15.09.2017	306,266	-	
						22.09.2017	137,814	-	
						30.09.2017	50,000	-	
						13.10.2017	16,906	-	
						20.10.2017	10,416	-	
						27.10.2017	422,678	-	
						03.11.2017	54,854	-	
						10.11.2017	45,146	-	
						22.12.2017	139,680	-	
						29.12.2017	100,000	-	
						05.01.2018	140,207	-	
						12.01.2018	450,000	-	
						19.01.2018	10,875	-	
						26.01.2018	439,000	-	
						02.02.2018	62,014	-	
						09.02.2018	194,439	-	
						16.02.2018	208,931	-	
						23.02.2018	341,392	-	
						02.03.2018	293,349	-	
4	India Max Investment Fund Limited	3,882,980	0.97	3,957,980	0.83	21.07.2017	-	44,184	3,957,980
						28.07.2017	-	30,816	
5	Albula Investment Fund Ltd	3,609,070	0.9	3,609,070	0.75	-	-	-	3,609,070
6	Elara India Opportunities Fund Limited	2,765,000	0.69	2,755,000	0.57	07.07.2017	10,000	-	2,755,000
7	Globe Fincap Limited	2,119,111	0.53	100,702	0.02	07.04.2017	500	-	100,702
						14.04.2017	200	-	
						28.04.2017	-	550	
						05.05.2017	-	600	
						12.05.2017	-	800	
						19.05.2017	501,360	-	
						26.05.2017	-	1100	
						02.06.2017	-	200	
						09.06.2017	300	-	
						16.06.2017	450	-	
						30.06.2017	-	150	
						07.07.2017	100	-	
						14.07.2017	95,200	-	
						21.07.2017	2,200	-	
						28.07.2017	1,745	-	
						04.08.2017	1,300	-	
						11.08.2017	-	225	
						18.08.2017	-	400	
						01.09.2017	1,400	-	
						08.09.2017	5,375	-	
						15.09.2017	200	-	
						22.09.2017	4,800	-	

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
						30.09.2017	250	-	
						06.10.2017	-	100	
						16.03.2018	1,407,154	-	
8	Life Insurance Corporation of India	2,042,189	0.51	0	-	01.12.2017	16,711	-	0
						08.12.2017	334,932	-	
						15.12.2017	66,288	-	
						22.12.2017	314,409	-	
						29.12.2017	218,761	-	
						05.01.2018	443,414	-	
						12.01.2018	345,846	-	
						19.01.2018	301,828	-	
9	Sal Real Estates Pvt Ltd	1,961,134	0.49	3,122,634	0.65	28.04.2017	-	100,000	3,122,634
						12.05.2017	-	190,000	
						19.05.2017	-	100,000	
						07.07.2017	-	50,000	
						14.07.2017	-	22,000	
						28.07.2017	-	17,500	
						18.08.2017	-	23,000	
						08.09.2017	250,000	-	
						22.12.2017	-	500,000	
						05.01.2018	-	150,000	
						09.02.2018	-	30,000	
						02.03.2018	-	19,000	
						09.03.2018	-	260,000	
						23.03.2018	50,000	-	
10	Aggarwal Finlease Pvt Ltd	1,912,746	0.48	1,912,746	0.40	-	-	-	1,912,746
11	State Bank of India	855	0	23,811,594	4.97	26.05.2017		23,810,739	23,811,594
12	Punjab National Bank	0	0	8,859,335	1.85	26.05.2017	-	8,859,335	8,859,335
13	Idbi Bank Ltd.	0	0	3,196,930	0.67	26.05.2017	-	3,196,930	3,196,930
14	Bank of Baroda	0	0	3,158,567	0.66	26.05.2017	-	3,158,567	3,158,567
15	Canara Bank	2,300	0	3,057,358	0.64	26.05.2017	-	3,053,708	3,057,358
						09.02.2018	-	564	
						02.03.2018	-	786	

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Shareholder	As on 01.04.2017		As on 31.03.2018		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	74,24,148	1.86	74,24,148	1.55	-	-	-	74,24,148
2	Mr. Abhyuday Jindal	22,180	0.00	22,180	0.00	-	-	-	22,180
3	Mr. Gautam Kanjilal	-	-	-	-	-	-	-	-
4	Mr. Suman Jyoti Khaitan	-	-	-	-	-	-	-	-
5	Mr. T.S. Bhattacharya	-	-	10,000	0.00	24.11.2017	-	10,000	10,000
6	Mr. Subrata Bhattacharya*	10	0.00	10	0.00	-	-	-	10
7	Ms. Bhaswati Mukherjee*	-	-	-	-	-	-	-	-
8	Dr. Rajeev Uberoi *	-	-	-	-	-	-	-	-
9	Mr. Anurag Mantri	-	-	11,676	0.00	14.07.2017	-	8,176	11,676
						15.09.2017	-	2,000	
						30.09.2017	-	1,500	
10	Mr. Sunil Yadav*	-	-	790	0.00	-	-	-	-

* *Ms. Bhaswati Mukherjee and Dr. Rajeev Uberoi have been appointed as Directors w.e.f. from 15th July, 2017 and 9th February, 2018 respectively. Mr. Subrata Bhattacharya ceased to be Director w.e.f. from 15th May, 2018. Mr. Sunil Yadav was appointed as the Company Secretary w.e.f. 28th September, 2017 and he ceased to be the Company Secretary w.e.f. 25th April, 2018. Mr. Navneet Raghuvanshi has been appointed as the Company Secretary w.e.f. 25th April, 2018.*

V. INDEBTEDNESS

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

(Amount in ₹ Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	0.01% Optionally Convertible Redeemable Preference Shares	Working Capital	Total Indebtedness
Indebtedness at the beginning of the financial year – 1st April, 2017					
(i) Principal Amount	3,40,497.90	48,500.00	-	1,73,813.37	**5,62,811.27**
(ii) Interest due but not paid	5,144.36	-	-	-	**5,144.36**
(iii) Interest accrued but not due	6,995.01	-	-	-	**6,995.01**
Total (i+ii+iii)	**3,52,637.26**	**48,500.00**	**-**	**1,73,813.37**	**5,74,950.63**
Change in Indebtedness during the financial year	-	-	-	-	-
(i) Addition	60,000.00	41,500.00	60,650.00	-	**1,62,150.00**
(ii) Reduction	1,65,326.20	-	-	97,259.37	**2,62,585.58**
Net Change	**1,05,326.20**	**(41,500.00)**	**(60,650.00)**	**97,259.37**	**1,00,435.58**
Indebtedness at the end of the financial year – 31st March, 2018					**-**
(i) Principal Amount	2,45,680.16	90,000.00	60,650.00	76,554.00	**4,72,884.16**
(ii) Interest due but not paid	23.68	-	-	-	**23.68**
(iii) Interest accrued but not due	1,607.22	-	-	-	**1,607.22**
Total (i+ii+iii)	**2,47,311.05**	**90,000.00**	**60,650.00**	**76,554.00**	**4,74,515.05**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

(Amount in ₹ Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
1.	**Gross Salary**	**Mr. Ratan Jindal (CMD) ***	**Mr. Subrata Bhattacharya (WTD)****	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	NIL	200.30	200.30
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	NIL	0.32	0.32
	(c) Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	- others, specify	NIL	NIL	NIL
5.	Others (Provident Fund)	NIL	6.60	6.60
	Total (A)	**NIL**	**207.22**	**207.22**
	Ceiling as per the Act **	NIL	NIL	NIL

** Mr. Ratan Jindal has received salary of Rs. 1664.35 Lakhs from Jindal Stainless FZE, subsidiary of the Company during the financial year 2017-18.*

*** Since the Company did not have profit as per Section 198 of the Companies Act, 2013 during the financial year 2017-18, the Company required approval of Central Government for payment of remuneration to the managerial personnel. The Company's application to the Central Government for approval on payment of remuneration to Mr. Subrata Bhattacharya is under process. Mr. Bhattacharya ceased to be Director of the Company w.e.f. 15th May, 2018.*

B. REMUNERATION TO OTHER DIRECTORS

1. Independent Directors

(₹ in Lakhs)

Particulars of Remuneration	Name of Directors					Total Amount
	Mr. Suman Jyoti Khaitan	Mr. T.S. Bhattacharya	Mr. Kanwaljit Singh Thind [1]	Ms. Bhaswati Mukherjee [2]	Dr. Rajeev Uberoi [2]	
• Fee for attending board /committee meetings	4.10	3.90	1.40	2.50	1.00	12.90
• Commission	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-
Total (1)	**4.10**	**3.90**	**1.40**	**2.50**	**1.00**	**12.90**

1 *Mr. Kanwaljit Singh Thind ceased to be a Director w.e.f. 26th September, 2017.*

2 *Ms. Bhaswati Mukherjee and Dr. Rajeev Uberoi have been appointed as Directors w.e.f. 15th July, 2017 and 9th February, 2018 respectively.*

2. Other Non-Executive Directors

(₹ in Lakhs)

Other Non-Executive Directors	Mr. Abhyuday Jindal [1]	Mr. Gautam Kanjilal	Total Amount
• Fee for attending board committee meetings	2.00	4.30	6.30
• Commission	-	-	-
• Others, please specify	-	-	-
Total (2)	**2.00**	**4.30**	**6.30**
Total Managerial Remuneration (A+B)			
Overall Ceiling as per the Act	N.A.	N.A.	N.A.

1 *Mr. Abhyuday Jindal has been appointed as the Managing Director w.e.f. 25th April, 2018.*

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

Sl. No.	Particulars of Remuneration	Key managerial Personnel		
		Mr. Anurag Mantri (CFO)	Mr. Sunil Yadav (ex-CS) [1]	Total (in ₹ Lakhs)
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	196.33	15.32	211.65
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	1.47	0.86	2.33
	(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 (Provident Fund)	5.69	0.50	6.19
	Total	**203.49**	**16.68**	**220.17**

1 Mr. Sunil Yadav was appointed as the Company Secretary w.e.f. 28th September, 2017 and ceased to be the Company Secretary of the Company w.e.f. 25th April, 2018.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
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 VI 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 (Hisar) Limited** *(Jindal Stainless (Hisar) Limited is a public limited company in which two Directors of the Company are also directors and hold more than 2% of its paid up share capital).*
(b)	Nature of contracts/ arrangements/ transactions	Sale, purchase or supply of materials and services, Cash Flow Support as per Asset Management Plan, 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. Rs. 2,600 Crore.
(e)	Date(s) of approval by the Board, if any	August 9, 2017
(f)	Amount paid as advances, if any	

(a)	Name(s) of the related party and nature of relationship	**Jindal United Steel Limited ("JUSL")**
(b)	Nature of contracts/ arrangements/ transactions	Sale, purchase or supply of goods and materials, receiving of Security Deposit, payment of Job Charges 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 goods and materials etc., payment of Job Charges etc. amounting to approx. Rs. 1,065 Crore.
(e)	Date(s) of approval by the Board, if any	The Board and the Shareholders had earlier approved the transactions with JUSL for Rs. 1,000 Crore. However, during the financial year 2017-18, the cumulative value of transactions with JUSL were Rs. 1,065 Crore approx. Therefore, the Audit Committee and Board of Directors at its meeting held on April 25, 2018 ratified and recommended to the Members ratification of the transactions exceeding the amount of Rs. 1,000 Crore.
(f)	Amount paid as advances, if any	

(a)	Name(s) of the related party and nature of relationship	**Jindal Stainless Steelway Limited ("JSSL")**
(b)	Nature of contracts/ arrangements/ transactions	Sale, purchase or supply of goods and materials, payment of job charges 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 goods and materials, payment of job charges etc. amounting to approx Rs. 1,100 Crore.
(e)	Date(s) of approval by the Board, if any	The Audit Committee and Board of Directors its meeting held on April 25, 2018 ratified and recommended to the Shareholders for ratification of the transactions with JSSL.
(f)	Amount paid as advances, if any	

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 Limited ("JSL/Company") is as follows:

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE:

Corporate Governance is creation and enhancing long term sustainable value for the stakeholders through ethically driven business process. At JSL, it is imperative that your Company affairs are managed in a fair and transparent manner. We recognize communication as a key element of the overall corporate governance framework and therefore, emphasize on seamless and efficient flow of relevant communication to all external constituencies. We believe that appropriate disclosure procedures, transparent accounting policies, strong and independent Board practices and highest level of ethical standards are critical to enhance and retain investor's trust and generate sustainable corporate growth. We also believe that Corporate Governance is not just a definition but a journey to constantly improve sustainable value creation.

Keeping the above principles and beliefs in mind, your Company has formed the Corporate Governance Framework on the following broad practices:

(a) Engaging a diverse and highly professional, experienced and competent Board of Directors, with versatile expertise in industry, finance, management and law;
(b) Deploying well defined governance structures that establish checks and balances and delegates decision making to appropriate levels in the organization;
(c) Adoption and implementation of fair, transparent and robust systems, processes, policies and procedures;
(d) Making high levels of disclosures for dissemination of corporate, financial and operational information to all its stakeholders; and
(e) Having strong systems and processes to ensure full and timely compliances with all legal and regulatory requirements and zero tolerance for non-compliance.

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 your Company consisted of eight Directors, including four independent directors. Details with respect to size and composition of Board of Directors are given hereunder:

Category	Name of Directors
Promoter Directors	Mr. Ratan Jindal, Chairman and Managing Director Mr. Abhyuday Jindal, Vice Chairman[1]
Executive Director	Mr. Subrata Bhattacharya[2]
Independent Directors*	Mr. Suman Jyoti Khaitan Mr. Tara Sankar Sudhir Bhattacharya Ms. Bhaswati Mukherjee[3] Dr. Rajeev Uberoi[4]
Nominee Director – State Bank of India	Mr. Gautam Kanjilal

1 *Mr. Abhyuday Jindal was appointed as a Director and Non-Executive Vice Chairman of the Company w.e.f. 9th August, 2017. Mr. Abhyuday Jindal has subsequently been appointed as the Managing Director w.e.f. 25th April, 2018.*
2 *Mr. Subrata Bhattacharya ceased to be the Whole Time Director w.e.f. 15th May, 2018. Mr. Tarun Kumar Khulbe has been appointed as the Whole Time Director w.e.f. 15th May, 2018.*
3 *Ms. Bhaswati Mukherjee has been appointed as an Independent Director w.e.f. 15th July, 2017.*
4 *Dr. Rajeev Uberoi was appointed as an Additional Independent Director w.e.f. 9th February, 2018.*
* *Ms. Ishani Chattopadhyay resigned as a Director w.e.f. 9th May, 2017. The Board appointed Mr. Kanwaljit Singh Thind as Additional Independent Director w.e.f. 11th May, 2017 who ceased to be a Director w.e.f. 26th September, 2017.*

(ii) Independent Directors

The Board of Directors of the Company, on the recommendations of the Nomination and Remuneration Committee of Directors has appointed Dr. Rajeev Uberoi as an Independent Director on the Board of Directors with effect from 9th February, 2018. In terms of the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), he shall hold office of Additional Director up to the date of ensuing Annual General Meeting (AGM). The Company has, in accordance with the provisions of Section 160 of the Act received notice in writing from a member proposing his candidature for appointment as Independent Director at the ensuing AGM. Accordingly, the Board of Directors is seeking approval of the Members for appointment of Dr. Rajeev Uberoi as an Independent Director to hold office for one term of three consecutive years w.e.f. 9th February, 2018, till 8th February, 2021 in the AGM Notice forming part of this Annual Report.

The Company has received declarations as stipulated under Section 149(7) of the Act and Regulation 16 of the SEBI LODR from the Independent Directors confirming that they are not disqualified from being appointed /continuing as Independent Directors. 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://jslstainless.com/pdf/Terms%20&%20conditions%20of%20Appointment%20of%20Independent%20Directors.pdf

(iii) Board Meetings

During the financial year 2017-18, six Board meetings were held on 27th April, 2017, 12th May, 2017, 9th August, 2017, 14th November, 2017, 31st January, 2018 and 14th 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 Meetings attended	Attendance at last AGM	No. of Directorships held in other companies [5]	No. of Memberships(M) / Chairmanships (C) in other Board Committee(s) [6]	No. of Shares and Convertible Instruments held by Non-Executive Directors
Mr. Ratan Jindal [1]	5	No	8	Nil	N.A.
Mr. Abhyuday Jindal [1]	3	No	1	1(M)	N.A.
Mr. Subrata Bhattacharya [2]	6	No	Nil	Nil	N.A.
Mr. Kanwaljit Singh Thind [2]	2	No	N.A.	N.A.	N.A.
Mr. Gautam Kanjilal	6	Yes	4	3(C), 1(M)	-
Mr. Suman Jyoti Khaitan	5	No	3	4(M)	-
Mr. T.S. Bhattacharya	5	No	6	3(M)	10,000
Ms. Bhaswati Mukherjee [3]	4	No	1	Nil	-
Dr. Rajeev Uberoi [3]	1	No	3	Nil	-
Mr. Tarun Kumar Khulbe [4]	N.A.	N.A.	Nil	Nil	N.A.

1 *No Director is related to any other Director on the Board except Mr. Ratan Jindal and Mr. Abhyuday Jindal, who are father and son respectively. Mr. Abhyuday Jindal was appointed as Non-Executive Vice Chairman w.e.f. 9th August, 2017 and was subsequently appointed as the Managing Director w.e.f. 25th April, 2018.*

2 *Mr. Subrata Bhattacharya and Mr. Kanwaljit Singh Thind ceased to be Directors w.e.f. 15th May, 2018 and 26th September, 2017 respectively.*

3 *Ms. Bhaswati Mukherjee and Dr. Rajeev Uberoi have been appointed as Directors w.e.f. 15th July, 2017 and 9th February, 2018 respectively.*

4 *Mr. Tarun Kumar Khulbe has been inducted as an Additional Director and appointed as Whole Time Director of the Company w.e.f. 15th May, 2018.*

5 *Directorships do not include directorships in foreign companies, private limited companies and companies under section 8 of the Companies Act, 2013*

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

* *Ms. Ishani Chattopadhyay ceased to be Director w.e.f. 9th May, 2017.*

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 and 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 possible to attach any document to the agenda, the same is placed on the table at the meeting with specific reference to this effect in the agenda.

(ii) With the permission of Chairman and other directors present at the meeting, additional or supplementary item(s) in the agenda are taken up for discussion and consideration. Sensitive 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 thirty days from the conclusion of the meeting and signed by the Chairman of the next Board / Committee Meeting.

D. Post meeting follow up mechanism

There is an effective post meeting follow-up, review and reporting process for the action taken on decisions of the Board and Committees. Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments / divisions. 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 Board Meeting.

(vi) Familiarization Programme for Board Members including 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 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 the following link:

http://jslstainless.com/pdf/DETAILS%20OF%20FAMILIARIZATION%20%20PROGRAMMES%20IMPARTED%20TO%20INDEPENDENT%20DIRECTORS%20JSL.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 7th 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, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

(viii) Evaluation of Board Effectiveness

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and Regulation 19 of the SEBI LODR, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have to evaluate the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31st March, 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 fulfil 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 play 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 7 (seven) committees of the Board viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Share Transfer Committee, Sub-Committee and Risk Management Committee.

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
Meetings Held	**4**	**3**	**4**	**1**	**12**
Members' Attendance*					
Mr. Ratan Jindal	N.A.	1	3	1	10
Mr. Subrata Bhattacharya [1]	N.A.	N.A.	4	1	12
Mr. Gautam Kanjilal	4	N.A.	N.A.	N.A.	N.A.
Mr. Suman Jyoti Khaitan	4	3	3	N.A.	2
Mr. T. S. Bhattacharya	3	3	N.A.	1	N.A.
Mr. Kanwaljit Singh Thind [2]	2	N.A.	N.A.	N.A.	N.A.

1 *Mr. Subrata Bhattacharya ceased to be a Director w.e.f. 15th May, 2018.*

2 *Mr. Kanwaljit Singh Thind ceased to be a Director w.e.f. 26th September, 2017.*

* *Dr. Rajeev Uberoi has been inducted as a Member w.e.f. 25th April, 2018. Mr. Abhyuday Jindal has been inducted as Chairman of the Share Transfer Committee and Sub Committee and Member of Stakeholders' Relationship Committee w.e.f. 15th May, 2018 Mr. Tarun Kumar Khulbe has been inducted as a Member of the Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Share Transfer Committee and Sub Committee w.e.f. 15th May, 2018.*

* *The Risk Management Committee was constituted w.e.f. 17th July, 2018.*

* Ms. Ishani Chattopadhyay ceased to be Director and consequently a Member of the Committee w.e.f. 9th May, 2017.

(i) Audit Committee

Composition and Terms of Reference:

The composition and Terms of Reference of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI LODR. The present composition of the Audit Committee is as under:

Name of Director*	Category	Status
Mr. Suman Jyoti Khaitan	Independent Director	Chairman
Mr. T. S. Bhattacharya	Independent Director	Member
Dr. Rajeev Uberoi [1]	Independent Director	Member
Mr. Gautam Kanjilal	Nominee Director, Non-Independent	Member

1 *Dr. Rajeev Uberoi has been inducted as a member of the Audit Committee w.e.f. 25th April, 2018.*

* *Mr. Kanwaljit Singh Thind was appointed as a member w.e.f. 11th May, 2017 and he ceased to be a Director and consequently a Member of the Committee w.e.f. on 26th September, 2017.*

Meetings:

The Audit Committee met four times during the financial year 2017-18 on 12th May, 2017, 9th August, 2017, 14th November, 2017 and 14th February, 2018.

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 Auditor, the Internal Auditor, the Cost Auditor, the Secretarial Auditor and notes the processes and safeguards employed by each of them.

The Chief Financial Officer regularly attends the Committee meetings and the Company Secretary acts as the Secretary of the Committee. All the Committee meetings were 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. Suman Jyoti Khaitan	Independent Director	Chairman
Mr. T. S. Bhattacharya	Independent Director	Member
Mr. Ratan Jindal	Chairman and Managing Director, Non Independent	Member

Meetings:

During the financial year ended 31st March, 2018, three meetings of the Nomination and Remuneration Committee were held on 27th April, 2017, 9th August, 2017 and 14th February, 2018. Requisite quorum was present during all meetings.

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

Performance Evaluation Criteria for Independent Directors:

The policy framework for nomination, election and performance review of Independent Directors duly approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee is in place. The performance of the Independent Directors is being evaluated by the entire Board, except for the director being evaluated. The broad criteria for evaluation of Independent Directors are participation in board meetings and AGM, 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. Suman Jyoti Khaitan	Independent Director	Chairman
Mr. Tarun Kumar Khulbe [1]	Whole Time Director, Non-Independent	Member
Mr. Abhyuday Jindal [1]	Managing Director, Non-Independent	Member

1 *Mr. Tarun Kumar Khulbe and Mr. Abhyuday Jindal have been inducted as Members w.e.f. 15th May, 2018.*

* *Mr. Subrata Bhattacharya ceased to be a Director and consequently member of the Committee w.e.f. 15th May, 2018 and Mr. Ratan Jindal ceased to be a Member of this Committee w.e.f. 15th May, 2018.*

Meetings:

Four meetings of the Committee were held during the financial year ended 31st March, 2018 on 12th May, 2017, 9th August, 2017, 14th November, 2017 and 14th February, 2018. Requisite quorum was present during all 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, the 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. Mr. Sunil Yadav ceased to be the Company Secretary and Compliance Officer w.e.f. 25th April, 2018. Mr. Navneet Raghuvanshi has been appointed as the Company Secretary and Compliance Officer w.e.f. 25th April, 2018. 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 & 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, 11 complaints were received during the year ended 31st March 2018. All the complaints stood resolved as on 31st March, 2018, except one which was settled 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
Mr. Ratan Jindal	Chairman and Managing Director, Non-Independent	Chairman
Mr. T. S. Bhattacharya	Independent Director	Member
Mr. Tarun Kumar Khulbe [1]	Whole Time Director, Non-Independent	Member

1 *Mr. Tarun Kumar Khulbe has been inducted as a Member w.e.f. 15th May, 2018. Mr. Subrata Bhattacharya ceased to be a Director and consequently a Member of the Committee w.e.f. 15th May, 2018.*

Meetings:

Two meetings of the Committee were held during the financial year ended 31st March, 2018 on 9th August, 2017 and 14th Februry,2018. Requisite quorum was present during the meetings.

(v) Sub-Committee of Directors

The Board 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. Tarun Kumar Khulbe [2]	Whole Time Director, Non-Independent	Member
Mr. Suman Jyoti Khaitan	Independent Director	Member

1 *Mr. Abhyuday Jindal has been inducted as a Member w.e.f. 15th May, 2018. Mr. Ratan Jindal ceased to be a member of the Committee w.e.f. 15th May, 2018.*
2 *Mr. Tarun Kumar Khulbe has been inducted as a Member w.e.f. 15th May, 2018. Mr. Subrata Bhattacharya ceased to be a Director and consequently a Member of the Committee w.e.f. 15th May, 2018.*

During the financial year 2017-18, the Sub-Committee of Directors met 12 times on 15th April, 29th May, 28th June, 24th July, 21st August, 27th September, 9th November, 11th December and 27th December, 2017; 19th February, 14th March and 28th March, 2018. The decisions taken at the Sub Committee meetings are reviewed by the Board at its meetings.

(vi) Share Transfer Committee

The Board of Directors has delegated the power of approving transfer of securities and other related formalities to the Share Transfer Committee comprising of Mr. Abhuday Jindal [1], Managing Director, Mr. Tarun Kumar Khulbe [1], Whole Time Director, Mr. Suman Jyoti Khaitan, Independent Director, Mr. Navneet Raghuvanshi, Company Secretary [2] and a representative of Registrar and 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. Tarun Kumar Khulbe have been inducted as Members w.e.f. 15th May, 2018. Mr. Ratan Jindal ceased to be a Member of the Committee w.e.f. 15th May, 2018. Mr. Subrata Bhattacharya ceased to be a Director and consequently a Member of the Committee w.e.f. 15th May, 2018.*
2 *Mr. Navneet Raghuvanshi has been appointed as the Company Secretary w.e.f. 25th April, 2018.*

(vii) Risk Management Committee

Composition and Terms of Reference:

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, top 500 listed entities, determined on the basis of market capitalisation as at the end of immediate previous financial year are required to constitute a Risk Management Committee. Since the Company ranked at 429th position among top 500 listed companies by market capitalisation as on 31st March, 2018 the Board of Directors at its meeting held on 17th July, 2018 constituted the Risk Management Committee of the Company w.e.f. 17th July, 2018.

The composition and "Terms of Reference" of the Risk Management Committee are in conformity with the provisions of Regulation 21 of the SEBI LODR, as amended. The present composition of the Risk Management Committee is as under:

Name of Director	Category	Status
Mr. Abhyuday Jindal	Managing Director, Non-Independent	Chairman
Mr. Tarun Kumar Khulbe	Whole Time Director, Non-Independent	Member
Dr. Rajeev Uberoi	Independent Director	Member
Mr. Anurag Mantri	Chief Financial Officer	Member
Mr. Navneet Raghuvanshi	Company Secretary	Member

Meetings:

The Risk Management Committee of the Company was constituted w.e.f. 17th July, 2018. Therefore, no meeting of the said Committee was held during the financial year 2017-18.

4. REMUNERATION OF DIRECTORS

(i) Remuneration Policy

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

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

(ii) Details of Remuneration paid to the Directors during the financial year ended 31st March 2018:

(a) Executive Directors:

Amount (₹ in Lakhs)

Name of Director*	Designation	Salary	Commission	Contribution to PF	Others	Total	Notice Period
Mr. Subrata Bhattacharya	Whole Time Director	193.97	-	6.60	6.65	207.22	2 months

* *Mr. Ratan Jindal has received salary of ₹ 1664.35 Lakhs from Jindal Stainless FZE, Dubai, subsidiary of the Company during the financial year 2017-18.*

(b) Non Executive Directors:

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

Amount (₹ in Lakhs)

Name of Director	Sitting fee paid
Mr. Abhyuday Jindal [1]	2.00
Mr. Suman Jyoti Khaitan	4.10
Mr. Gautam Kanjilal	4.30
Mr. T.S. Bhattacharya	3.90
Mr. Kanwaljit Singh Thind [2]	1.40
Ms. Bhaswati Mukherjee [3]	2.50
Dr. Rajeev Uberoi [3]	1.00

1 *Mr. Abhyuday Jindal has been appointed as the Managing Director w.e.f. 25th April, 2018.*
2 *Mr. Kanwaljit Singh Thind ceased to be a Director w.e.f. 26th September, 2017.*
3 *Ms. Bhaswati Mukherjee and Dr. Rajeev Uberoi have been appointed as Directors w.e.f. 15th July, 2017 and 9th February, 2018 respectively.*

No commission has been paid to the Non-Executive Directors.

There has been no material pecuniary relationship or transactions between the Company and Non Executive Directors during the financial year 2017-18, except as stated above.

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	21.12.2015	Monday	11.30 a.m.	- Issue and allotment of 5,36,48,068 Equity Shares having face value of ₹ 2 each of the Company upon conversion of part of funded interest term loan for an aggregate amount of ₹ 250 Crore; - Issue and allotment of Preference Shares of the Company upon conversion of part of the funded interest term loan for an aggregate amount of ₹ 751.76 Crore; - Appointment of Mr. Subrata Bhattacharya in the capacity of whole time director, with remuneration, of the Company for a period of three years; - Waiver of excess remuneration paid to Mr. Arvind Parakh, Director – Strategy & Business Development for the financial year 2008-09 and 2009-10; - Waiver of excess remuneration paid to Mr. Uday Kumar Chaturvedi, whole time director designated as Chief Executive Officer for a period from 27th May, 2013 to 31st December, 2013; - Waiver of excess remuneration paid to Mr. Jitender P Verma, Executive Director (Finance) for a period from 1st April, 2013 to 31st March, 2015.
2015-16	30.12.2016	Friday	12.00 noon	- Appointment of Mr. T.S. Bhattacharya as an Independent Director.
2016-17	26.09.2017	Tuesday	11.30 a.m.	Nil

Apart from the Annual General Meeting, two Extra-Ordinary General Meetings (EGMs) of Shareholders were held on 23rd May, 2017 and 3rd March, 2018. Mr. Sandeep Garg, Advocate was appointed as scrutiniser for conducting process of e-voting and poll at the EGMs in a fair and transparent manner. He had submitted the report of the EGMs to the Chairman for declaration of result.

Summary of the voting details related to the EGM held on 23rd May, 2017 are given below:

Sl. No.	Particulars	No. of Votes with Assent	% with Assent	No. of Votes with Dissent	% with Dissent
1	Issue of Non-convertible debentures.	28,70,26,938	100%	Nil	Nil

Summary of the voting details related to the EGM held on 3rd March, 2018 are given below:

Sl. No.	Particulars	No. of Votes with Assent	% with Assent	No. of Votes with Dissent	% with Dissent
1	Increase in the Authorised Share Capital and alteration in the Capital Clause of the Memorandum of Association of the Company.	29,38,58,076	99.9806%	56,908	0.0194%
2	Authority to raise funds upto an aggregate amount of ₹1,200 Crore (Rupees One Thousand Two Hundred Crore) by issue of fresh securities of the Company.	28,88,71,623	98.2841%	50,43,361	1.7159%
3	Increase in the aggregate limit for investment into the company by the Foreign Portfolio Investors ("FPIs") to upto 100% of the paid-up Equity Share Capital of the Company on a fully diluted basis.	29,08,61,128	98.9610%	30,53,856	1.0390%
4	Authority to enhance the approved threshold limits for entering into Material Related Party Contracts /Arrangements / Transactions with Jindal Stainless (Hisar) Limited.	4,21,63,167	93.0294%	31,59,236	6.9706%

No special resolution was passed through postal ballot during last financial year 2017-18.

6. MEANS OF COMMUNICATION:

i)	Quarterly Results	The quarterly, half yearly and yearly financial results of the Company are mailed / sent to 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 / Times of India (English), Navbharat Times (Hindi) - for the year 2017-18
iii)	Any website, where displayed	www.jslstainless.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: - Date and Time - Venue	Thursday September 27, 2018 at 11:00 A.M. At Registered Office of the Company at Jindal Stainless Limited, 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) Financial Reporting Results for quarter ending June 30, 2018 Results for quarter ending Sep. 30, 2018 Results for quarter ending Dec. 31, 2018 Results for year ending Mar. 31, 2019 (Audited)	September, 2019 17th July, 2018 (Actual) On or before 14th November, 2018 On or before 14th Feb., 2019 On or before 30th May, 2019
7.4	Dividend and its Payment	No dividend has been recommended by the Board of Directors for the financial year 2017-18.	
7.5	Book Closure date:	17th day of September, 2018 to 18th day of September, 2018 (both days inclusive) for Annual General Meeting.	
7.6	Unclaimed Shares:	In terms of erstwhile Clause 5A of the Listing Agreement, the Company had through its RTA sent three reminders to Shareholders, whose Share Certificates were lying unclaimed with the Company, requesting them to provide complete postal address and other relevant details to enable the RTA to dispatch such unclaimed Share Certificates to them. 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 Schedule V of the SEBI LODR are given hereunder:	

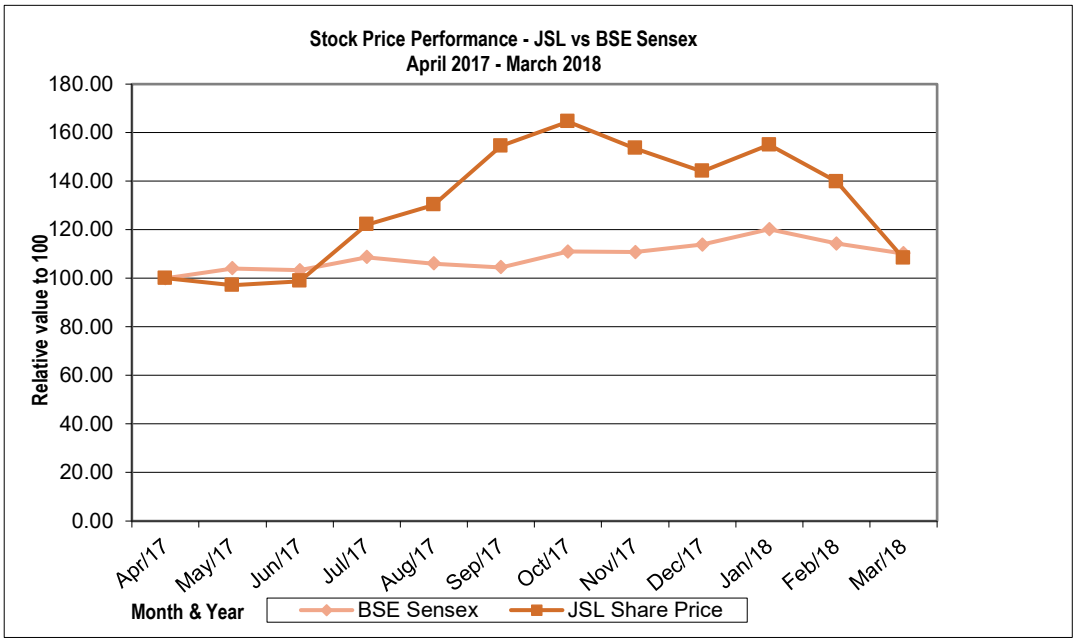
Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account as on 01.04.2017.	1,490	1,93,525
Number of shareholders who approached the Company / RTA for transfer of shares from suspense account during the year 2017-18.	17	3,215
Number of shareholders to whom shares were transferred from suspense account during the year 2017-18.	17	3,215
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2018.	1,473	1,90,310

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. As and when the rightful owner of such shares approaches the Company, the Company shall to the extent of his / her entitlement, arrange to deliver the shares from the said account to the rightful owner after proper verification of his / her identity.

7.7	(a) Listing of Equity Shares on Stock Exchanges	:	National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G – Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
The 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.	
	(c) Listing of Debt Instruments on Stock Exchanges and Codes	:	Non Convertible Debentures 31MR22 FV ₹ 10 Lac Stock Code: BSE: 947227 ISIN: INE220G07085	
	(d) Debenture Trustee	:	Axis Trustee Services Limited (A wholly owned subsidiary of Aix Bank) Axis House, IInd Floor, Wadia International Centre Padurang Budhkar Marg, Worli Mumbai – 400 005.	
7.8	Stock Code	:	Trading Symbol – BSE Limited (Demat Segment):	532508
	(Equity Shares)		Trading Symbol – National Stock Exchange of India: (Demat Segment)	JSL
	International Securities Identification Number (ISIN) Equity Shares : INE 220G01021 GDS : US4775862000			
	Reuters Code	:	JIST.BO (BSE) JIST.NS (NSE)	

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 High Price (In ₹)	Month's Low Price (In ₹)
April, 2017	83.20	70.15	84.00	70.00
May, 2017	83.40	67.00	83.45	66.55
June, 2017	77.00	70.20	77.00	70.00
July, 2017	92.30	71.00	92.50	70.75
August, 2017	96.95	77.00	96.90	77.00
September, 2017	126.00	94.40	126.00	94.70
October, 2017	121.20	110.15	120.60	108.00
November, 2017	120.20	106.00	120.15	105.20
December, 2017	115.80	95.00	115.95	96.50
January, 2018	132.75	104.50	132.40	103.30
February, 2018	124.80	91.00	124.70	91.20
March, 2018	103.00	74.30	102.85	74.20

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



Note:

1. Based on the Monthly closing data of Jindal Stainless Limited (₹ per share) and BSE Sensex.

7.11	Registrar and Transfer Agents:	Link Intime India Private Limited 44, Community Center, 2nd Floor Naraina Industrial Area, Phase I, Near PVR, Naraina, New Delhi - 110028 Phone No. (011) 41410592/93/94 Fax No. (011) 41410591 Email: delhi@linkintime.co.in
7.12	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 Depository 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:	During the year 2017-18, an amount of ₹ 3,73,136 was transferred by the Company to the Investor Education and Protection Fund.

7.15	Distribution of shareholding as at 31st March, 2018:			
By size of shareholding	**Shareholders**		**Equity shares held**	
	Number	**Percentage**	**Number**	**Percentage**
1 - 2500	47,551	96.45	1,38,62,878	2.89
2501 - 5000	811	1.64	29,53,039	0.62
5001 - 10000	386	0.78	29,40,824	0.61
10001 - 15000	141	0.29	17,50,169	0.37
15001 - 20000	79	0.16	14,19,175	0.30
20001 - 25000	51	0.10	11,73,810	0.24
25001 - 50000	117	0.24	41,65,919	0.87
50001 & Above	167	0.34	45,09,55,846	94.10
Total	**49,303**	**100**	**47,92,21,660**	**100.00**
Physical Mode	11,197	22.71	33,47,817	0.70
Electronic Mode	38,106	77.29	47,58,73,843	99.30

By category of shareholders	**Equity Shares held**	
	Number	**Percentage**
Promoters	30,20,53,325	63.03
GDS held by promoters underlying shares	1,67,34,984	3.49
GDS held by others underlying shares	8,69,350	0.18
FIs/Banks/Mutual Funds	6,10,86,203	12.75
Corporate Bodies	1,59,87,750	3.34
FIIs/ Foreign Portfolio Investor (Corporate)	5,35,09,712	11.17
NRIs/OCBs	14,91,199	0.31
Public /others	2,74,89,137	5.74
Total	**47,92,21,660**	**100.00**

7.16	Dematerialisation of shares :	As on 31st March, 2018, 99.30% of the total share capital was in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form.
7.17	Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion dates and likely impact on equity :	Company's paid up capital includes 1,76,04,334 equity shares having face value of ₹ 2/- each, underlying 88,02,167 GDS. As on 31st March, 2018, 14,28,30,637 Optionally Convertible Redeemable Preference Shares (OCRPS) are outstanding for conversion into 14,28,30,637 equity shares of ₹ 2/- each.
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 :	ODISHA Kalinga Nagar Industrial Complex, P.O. Danagadi – 755 026 Dist. Jajpur (Odisha), India
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://jslstainless.com/pdf/Policy%20on%20dealing%20with%20Related%20Party%20Transactions.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 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://jslstainless.com/pdf/WB%20Policy.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://jslstainless.com/pdf/Policy%20on%20Disclosure%20of%20Material%20Events%20or%20Information.pdf

http://jslstainless.com/pdf/Policy%20on%20Preservation%20&%20Archival%20of%20documents.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://jslstainless.com/pdf/Policy%20on%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.jslstainless.com/pdf/JSL-Dividend-Distribution-Policy_482018_R.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.jslstainless.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

Ernst & Young LLP ("EY") are the internal auditors of the Company and support the management in performing select internal audits as per scope defined by the CFO and Audit Committee and as per the engagement letter signed with EY. Internal audit findings are reported directly 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 Chairman and Managing Director and the Chief Financial Officer of the Company give annual 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 Chairman and Managing Director is given below:

To the Shareholders of Jindal Stainless Limited

Sub.: Compliance with Code of Conduct

I hereby declare that for the financial year ended 31st March, 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: 25th April, 2018

(**Ratan Jindal)**
Chairman and Managing Director

General Disclosures

i. A summary of transactions with related parties in the ordinary course of business is periodically placed before the audit committee;

ii. The mandatory disclosure of transactions with related parties in compliance with Indian Accounting Standard (Ind AS) 24 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 SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

To the Members,
Jindal Stainless Limited

We have examined the compliance of the conditions of Corporate Governance by Jindal Stainless Limited for the year ended on March 31, 2018 as stipulated in the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

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 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
Date: July 6, 2018

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

MANAGEMENT DISCUSSION AND ANALYSIS

Company Overview

JSL is the pioneer of the Stainless Steel industry in India having four decades of experience. The Company over the years has established itself amongst the leading stainless steel manufacturing companies in the world and one of India's largest stainless steel manufacturer.

The Company operates a stainless steel plant at Jajpur, Odisha. The complex has a total stainless steel capacity of 0.8 million tonne per annum. Being in close proximity to ports and raw-materials renders distinct advantages to the Company. Additionally, JSL is equipped with the 'State-of-the-Art' machinery and engineering from the best of European suppliers, capable of producing globally competitive stainless steel products.

Integrated Facilities	Unit	Capacity	Equipment Suppliers
Ferro Alloys	MMTPA	250,000	SMS Siemag, Germany
Captive Power Plant	MW	264	BEHL, India
Steel Melting Shop (SMS)	MMTPA	800,000	SMS Siemag, Germany
Cold Rolled Annealed Pickle (CRAP)	MMTPA	450,000	Andritz, Austria

JSL has a diversified product basket and a well-established distribution network with service center access in domestic and overseas markets. The Company's innovative solutions are driving the usage in newer applications like developing SS fuel tanks and exhaust systems in commercial vehicles, steel bus body, Railway coaches and wagons .The products offered by the Company are significantly superior and at par with any international stainless steel mills.

JSL's growth over the last four decades has been backed by the excellence of its people, value driven business operations, customer centricity, adoption of one of the best safety practices in the stainless steel industry and a commitment for social responsibility.

Key Growth Drivers

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 Railways**

Stainless steel has been chosen to manufacture railway wagons instead of the traditional corten steel. 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 for Railway coaches' Metro railway systems which are being developed across the country are using stainless steel material for construction of its light weight coaches. The passenger coaches of Indian railways have started shifting to German Linke Hofmann Busch (LHB) stainless steel coaches. The ambitious dedicated freight corridor (DFC) project taken up the Indian railways is expected to contribute significant share of Indian Railways' capacity expansion during the next five years only to result in higher stainless steel wagons demand. Use of Stainless Steel in Foot Over Bridge (FOB) is another promising application that will drive the overall stainless steel demand in the coming time. Railway Station modernization is another segment which holds high potential for Stainless Steel Usage in Railway Infrastructure.

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

The consumption change is following global pattern of countries where per capita incomes of developing countries is accelerating in line with developed countries.

JSL's well diversified product portfolio has a wide range of stainless steel including 200 series, 300 series (including SS 304, SS 316), 400 series and duplex stainless steel grades. The Company caters to 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.

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

Huge operating leverage

JSL's facility in Odisha is equipped with high quality infrastructure and facilities. Its existing 800 acre plant can readily accommodate a facility with much higher capacity. The brownfield expansion can be executed at low capital expenditure compared to a greenfield capacity and in a timely manner. Currently, the Company is in a position to easily expand its capacity to 1.1mtpathrough debottlenecking at nominal capital expenditure. Therefore, today JSL is well positioned to increase its capacity in a comparatively cost efficient manner.

Strong management expertise

JSL's management team of senior professionals has versatile industry expertise and proven track record. They have contributed immensely in formulating strategies towards the Company's growth. Overall, JSL has four decades of experience in Stainless Steel industry. Company has the best leadership team along with a talented pool of professionals who have abundant industry expertise and serves as a great driving force to the Company's success.

Robust Domestic and Global distribution network

JSL has emerged as one of the largest and most diversified stainless steel solution provider in the country. Today, JSL is equipped with a large manufacturing facility at Jajpur, Odisha and 15 sales offices across the country. The Company's Odisha plant is strategically located with close proximity to ports and key raw-materials. As a major pan-India player in the domestic market, JSL 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 one manufacturing facility in Indonesia and 12 International sales offices spread across Unites States, Spain, Italy, the United Arab Emirates, Russia, China and Vietnam. JSL'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.

Focus on strengthening Marketing and Branding initiatives

JSL has been undertaking a number of 'Marketing and Branding' initiatives to improve its consumer engagement, inform, educate and enhance awareness about stainless steel. Some of the Company's key marketing and branding activities are stated below:

a) **Jindal Stainless Health and Hygiene Social media campaign**

JSL has recently undertaken a 'Health and Hygiene' campaign with an objective of increasing the use of stainless steel in multiple sectors, creating mass awareness regarding the health and hygiene benefits of stainless steel etc. The campaign has been designed keeping in mind the properties of stainless steel and how it touches an individual's day to day life. The campaign includes the execution via different social media posts, contest posts and videos. It has been able to receive a healthy response with increased interaction on all the three channels – Facebook, Twitter and Instagram.

b) **Home Campaign**

This campaign was undertaken with an objective to educate consumers on the benefits of Stainless steel for homes across various application areas. In this campaign, awareness on SS Modular Kitchen, SS Water Tanks, SS Home décor, SS Plumbing and SS exteriors (Gates/railings/doors) categories were made on various digital/ social media platforms. The campaign was successful in influencing the end consumer by creating awareness of different stainless steel usage in homes.

c) Milk can Campaign

This campaign aimed at educating the end-consumers about the benefits of using stainless steel milk-cans as against other substandard cans. In India, majority of milk-men still carry milk in corroded metal or plastic cans which leads to formation of bacteria and contamination causing serious health issues. A digital campaign #Care for milk was introduced to educate end consumers to ask their milk men to give milk in a stainless steel milk-can. This successful campaign also won an award for the 'Best Engagement through Digital Marketing' in the Drivers of Digital Awards 2017.

d) Stainless Steel Training & Demo Van- :

In a unique initiative to augment the knowledge of stainless steel amongst its primary stakeholders, JSL has rolled out a training and demo van for promoting stainless steel usage in Architecture, Building & Construction segment. The stainless steel training and demo van is aimed at providing a mobile platform for training the fabricators in multiple cities. Additionally, this van is also becoming part of road shows in multiple cities.

e) www.makestainless.com

To promote downstream Industry, the Company developed a website "www.makestainless.com", where Stainless Steel fabricators are listed for end user consumers to locate them. The website allows the end consumers to select from wide range of Stainless steel products and get necessary details of the nearest fabricators. The Company in its efforts to improve its customer's experience of using Stainless Steel, has been able to enroll significant number of fabricators/manufacturers in this website.

f) Fabricator Training:

JSL has initiated training programs for fabricators, dealing in household items in multiple cities across the country. invites the fabricators are given basic training about stainless steel, its characteristics, benefits and best practices in fabrication of stainless steel in terms of welding, finishing etc. The training programs help the participants in understanding the right usage of stainless steel and improve the quality of their work., the Company has successfully expanded this training program in multiple cities of India. Productive interactive discussions, that present a good platform for small fabricators to discuss further business opportunities and improve quality of their products, are also a part of the program.

g) Memorandum of Understanding (MOU) scheme

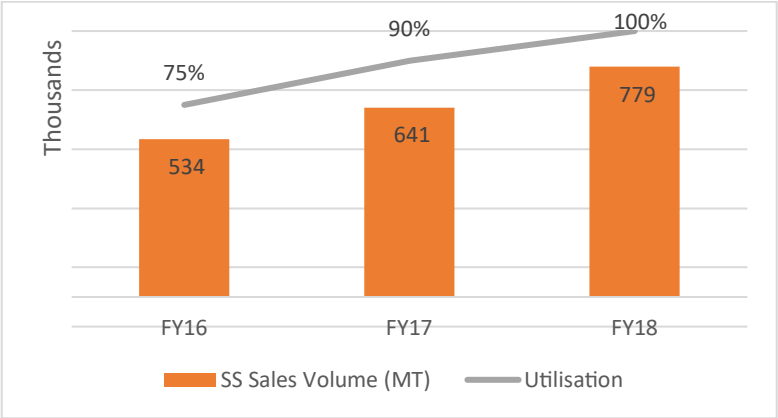
A MOU scheme was launched by the Company which was well accepted by its customers across segments, such as Channel Partners, Pipes, Tubes, Re-rollers, etc. JSL actively conducts series of meetings across various geographies and customer segments to seek customer feedback. Insightful suggestions on various aspects of customer service, including shipment, relationship management, and commercial aspects, are incorporated by JSL to improve its offering and services. The Company has made path-breaking interventions through Customer Supply Management Cell, IT enabled communications, Service Level Agreements with customers, and various other initiatives. With the MOU 2018-19, the Company hopes to take its own products and services, and its relationship with customers several notches higher.

Performance Highlights – 2018 vs 2017

Particulars (In ₹ Crore)	Standalone			Consolidated		
	FY 2018	FY 2017	*YoY (%)*	FY 2018	FY 2017	*YoY (%)*
Revenue from operations	**10,963.67**	8,957.40	22%	**11,816.86**	9,924.78	19%
Total Expenditure	**10,527.21**	8,920.37	18%	**11,362.61**	9,872.28	15%
EBITDA	**1,280.93**	1,106.70	16%	**1,340.34**	1,165.59	15%
Other Income	**45.41**	25.55	78%	**45.08**	25.69	75%
Finance Cost	**540.63**	761.69	-29%	**566.06**	787.88	-28%
Depreciation	**303.84**	307.98	-1%	**320.03**	325.21	-2%
PBT	**483.24**	88.71	445%	**519.54**	115.51	350%
Tax	**164.97**	30.37	443%	**174.04**	32.47	436%
PAT	**318.27**	58.34	446%	**345.50**	83.04	316%
EPS (Diluted)	**5.80**	1.63	256%	**6.20**	2.29	171%

The standalone revenue from operations has increased by 22% at ₹ 10,963.67 crore as compared to ₹ 8,957.40 crore during previous year 2016-17. Standalone EBITDA grew by 16% and stood at ₹ 1,280.93 crore as compared to ₹ 1,106.70 crore during previous year. PAT for the year at ₹ 318.27 crore grew almost 5 times as compared to ₹ 58.34 crore during previous year.EPS for the year was ₹ 5.80 against ₹ 1.63 for the previous year.

The Company's consolidated revenue from operations grew by 19% Y-o-Y in FY2018 to ₹ 11,816.86 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. Additionally, improvement in Supply Chain Management and enhanced customer engagement along with technology driven initiatives like Cloud for Customer (C4C), an analytics platform composed of SAP Cloud for sales, aided the overall sales growth during FY18.



Consolidated EBITDA increased by 15.% Y-o-Y to ₹ 1340.34 crore in FY 2018 as compared to ₹ 1165.59 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 ₹ 345.50 crore in FY18 as compared to ₹ 83.04 crore in FY 2017.The EPS for the year was 6.20 against 2.29 for the previous year. Significant progress on various strategic initiatives undertaken by the Company has led to an overall operational and financial turnaround. Most initiatives are structural in nature and the Company expects to sustain such strong performance going forward.

Awards and Accolades - FY18

During the year,JSL won a number of prestigious awards at various forums. These awards & accolades are a testimony of JSL's achievements. Some of the important awards & accolades are listed below:

- JSL was awarded the "Supplier Excellence Award" from the "Whirlpool – the global leader in Home Appliances". This Award was presented to JSL for supplying the stainless steel from PT JSI Indonesia, to few locations of South America without any quality claim and for maintaining high level of service standards for past three years. This recognition has paved way for JSL to supply products in North America and Europe.
- Thyssenkrupp Material Poland, one of the leading distributors of metals and plastics in Poland, awarded JSL for completing ten years of close business collaboration.
- At the Suzler 2018 Global Supplier Days Event, Singapore, JSL was awarded the "Supplier excellence" award.
- JSL received the runner-up award in the category of Best Risk Management Practices by Export Credit and Guarantee Corporation of India (ECGC Ltd.)
- JSL received Golden Peacock National Training Award for significant achievement in the field of excellence in Training.

- JSL bagged 'Best Performance Award' for Mega Scale Industry during UCCI Expo 2017.

- JSL received Apex India Environment Excellence Gold Award- 2017 for the FY 2017-18 towards excellence in Environment Protection, organized by Apex India Foundation, New Delhi.

- JSL received 18th Annual Greentech Environment GOLD Award-2018 in Metal & Mining Sector for the FY 2017-18 for outstanding achievement in Environmental Management.

- JSL received Fame Excellence GOLD Award- 2017 for the FY 2017-18 towards excellence in Environment Protection, organized by FAME, New Delhi.

Structural Initiatives leading to a sustainable turnaround for JSL:

Soon after the commencement of JSL operations in Jajpur, Odisha in 2011, the Company faced a number of challenges. With the best efforts, the Company was able to stabilize and improve its performance on all fronts. Today, JSL is bracing for another leap forward based on the structural initiatives it has taken over the past few years. Some of these structural initiatives that have set the ball rolling for JSL's profitable growth are covered below.

Lowered Logistics Cost:

JSL manufacturing facility in Jajpur, Odisha is a facility equipped with requisite logistics facilities. The commissioning of the railway sidings within the plant has led to multifold benefits. These sidings have lowered freight costs and reduced the dependence on cartelized local transporters leading to faster movement of raw materials and finished goods. JSL which has successfully being able to reduce its working capital cycle aspires to further take up initiatives which will result in better economies of scale.

Diversification and Reliable sourcing of Raw Materials:

The production of Stainless steel requires multiple raw materials, primarily nickel and ferrochrome. By being able to optimize its raw material mix, JSL is able to reduce its overall per tonne costs. The Company has also expanded its resources of chrome ore through the rational pricing mechanism of Odisha Mining Corporation Ltd. and through captive mines. The Company is able source its nickel requirement from a number of sources such as stainless steel scrap, primary metal and ferronickel. It also sources its chrome from stainless steel scrap and ferrochrome. Additionally, JSL is able to adjust its feedstock mix depending on the availability of material and prices. The wide diversification in the product mix and raw material optimization is leading to a significant cost savings for the Company vis-à-vis benefiting the end use consumer.

Innovation led operational efficiencies:

Technology driven initiatives are at the core of the Company's offerings and has helped to successfully derive substantial cost efficiencies.The increased usage of liquid ferro chrome and a partial substitution of propane with coke oven gas have led to significant savings in JSL's operational costs. JSL has been able to build its strong position upon advanced capabilities and technological expertise developed over the years that continues to differentiate it from other players.

Improved Balance sheet position:

The improved operating business environment and deleveraging as a result of the Asset Monetization Plan (AMP) has resulted in a better debt servicing potential and the Company's operating model is far more robust now. The monetization of assets with a track record of consistent performance has led to and helped in unlocking the value of those assets and has aided in better allocation of debt which has opened up significant expansion avenues for the Company. The AMP scheme has helped the Company achieve its sustainable growth vision. An equity infusion and better debt allocation has helped the Company lower its interest burden and serviceability. Asset sweating and a further increase in utilization levels are going to be the key growth drivers over the next few years.

Creation of a customer oriented culture:

JSL wide network across geographies and its strong focus on customer engagement has aided in creating a healthy demand for its products. The diversification in products, economics of scale coupled with strengthening customer relationships through Just- In-Time delivery services has given JSL a clear edge over imports.

Optimal Utilization of Assets:

Over the years, an increase in the overall utilization levels has enabled the Company to drive overall profitability. JSL is confident that it would continue to drive operational efficiencies by undertaking measures to improve the overall utilization of its existing capacity.

Risk management, audit and internal control system

The Company is exposed to normal industry risk factors like market fluctuations, economic slowdown, Government policies logjam and imports from global competitors etc. JSL manages these risks by deploying prudent business and risk management practices.

The Company has well-equipped and adequate internal control systems in place commensurate with the size of the firm and nature of its business. At JSL, business sustainability risks and opportunities are identified on an ongoing basis and integrate these into our existing risk management framework.

In addition to this, the Company has been undertaking continuous modernization programs to maintain efficient operations of its products and engineering activities. JSL has also made efforts to mitigate risks by enhancing the quality of its products, investing in latest equipment and technology, reducing energy consumption and improving productivity. The management actively benchmark relevant operational parameters and ensures adequate level of liquidity is maintained for smooth operations.

An extensive program of internal audits and regular reviews by the Audit Committee is carried out to ensure compliance with the best practices. The Company has employed M/s. Walker Chandiok & Co. LLP as their joint statutory auditors.

INTEGRATED MANAGEMENT SYSTEMS

Quality & Quality Management Systems

Jindal Stainless Limited, Jajpur is certified for various product and management system certifications comprising of Quality Management System (ISO 9001:2008), Environment Management System (ISO 14001:2004) and Occupational Health & Safety Management System (BS OHSAS 18001:2007). The Company holds certificates as per the latest versions of management systems i.e. ISO 9001:2015, ISO 14001:2015. The Company has undertaken initiative for obtaining Energy Management System (ISO 50001:2011) certification and has met the pre requisites for certification.

The testing laboratories of the Company have adopted laboratory management system (ISO 17025:2005). The chemicals laboratories comprising of Materials, Steel Melt Shop & Coal Testing are already accredited to National Accreditation Board of Testing and Calibration Laboratory (NABL) as per ISO 17025:2005.

Adding another milestone in the journey of operational excellence, the Company's Mechanical and Metallurgical testing laboratory recently received NABL accreditation. The Company also fulfilled the requirements of extension of the scope of Construction Product Regulation (CE Marking) certification to include grade EN 1.4462 of Duplex Stainless Steel. This development will enhance our preference as certified manufacturer of stainless steel for construction field in the European market with 11 grades covered under the CE marking scope. The Company also holds AD/ PED certification which is valid until Feb 2019. JSL Jajpur unit has DNV GL Approval for Marine Application. Additionally, JSL Jajpur recently obtained Marine & Offshore Approval from Bureau VERITAS as per Marine & Offshore General Conditions.

The Company has REACH/RoHS certification for 200, 300 & 400 series stainless steel grades. This includes compliance to the 7 new additions of Substances of Very High Concern (SVHC) in the REACH regulation 1907/2006.

JSL Jajpur has received ISI mark/ BIS Certification for Stainless Steel grades as per IS 6911: 1992 (Stainless steel plate, sheet and strips). This has enabled us to be first stainless steel manufactured to receive BIS license for stainless steel as per IS 6911. Other BIS license includes certifications as per IS 5522: 2014 (Stainless Steel Sheets and Strips for Utensils) and IS 15997:2012 (Low Nickel Austenitic Stainless Steel and Strip for Utensils and Kitchen Appliances).

Jindal Stainless Limited, Jajpur also holds JIS Mark Certification as per JIS (Japanese Industrial Standard) JIS G 4304, JIS G 4305 and JIS G 4312 requirements for stainless steel products. With JIS certification, we are able to sell stainless steel products in Japan and East Asian Countries.

Scope of JIS Mark Certification:

JIS Standard	Grades under scope of certification
JIS G 4304 & JIS G 4305	SUS304, SUS304L, SUS310S, SUS316, SUS316L,SUS316Ti, SUS321, SUS430
JIS G 4312	SUS310S, SUS316, SUS316Ti, SUS317, SUS321, SUS430, SUH409L

Environment

In the pursuit of Excellency in sustainable environment, Jindal Stainless Limited (JSL), Jajpur has taken various measures towards environment protection by way of efficient use of all key resources through its effective management, technological advancement and sound environmentally workforce for up-gradation of Integrated Management System (IMS) that includes ISO 9001: 2015 for Quality Management System (QMS), ISO 14001:2015 for Environment Management System (EMS) and OHSAS 18001: 2007 for Occupational Health & Safety Management System (OHSMS) in line with the requirement.

Center for Excellency, Environmental Laboratory of JSL has obtained continuation of NABL Certification for Air and Water Laboratory after successful Surveillance Audit by NABL during the financial year.

Environment Surveillance monitoring of environment e.g. air quality (ambient air and stack), water quality, noise at various locations are being regularly carried out. Real time online monitoring of ambient air quality monitoring, stack monitoring, effluent quality monitoring has been made operational continuously and data being transmitted to SPCB/CPCB server uninterruptedly.

JSL has taken various environmental measures for control of air pollution at Ferro Alloy Complex with replacement of 1440 numbers of New Nomex Filter Bags at SAF # 3 bag House Hoppers and 1326 numbers of New Nomex Filter Bags were replaced in SAF # 4 & 5 bag House Hoppers. Revamping of SAF # 3 De-dusting system work has been done with higher capacity (1,90,000 m3/hr) ID Fans & additional 4 nos. of Bag House Hoppers.

As a part of surface runoff water management, a total of 13 numbers of recharge pit has been constructed inside the plant premises. In addition, as a part of conservation of storm water, system has been made for Roof Top rain water for Store –II and HSM Slab Yard shed with quantity of 12000 CuM/year & 37800 CuM/year respectively to discharge to main drain through the down comer pipes for collection in a nearby catchment pit through a common header and further pumped to Water Reservoir for use in plant process.

An Effluent Treatment Plant (ETP) has been newly constructed for treatment of effluent generated from Hot Strip Mill for further reuse. Further, Pipeline arrangement has been made for use of CRM effluent in SMS slab quenching.

Arrangement for High speed mechanized water sprinkling system has been done for newly constructed truck tippler at CRMHS area to abate fugitive emissions.

By way of recycle and reuse of waste water, adopting the 3-R philosophy, the plant has ensured zero liquid discharge (ZLD) norms as required for statutory compliances.

As a part of compliance towards pollution prevention and sound environmental performance, JSL has made substantial efforts in last five years towards 100 % fly ash utilization by way of supplying fly ash to bricks manufacturing unit and Asbestos manufacturing Plant at free of cost. Further bottom ash is being disposed at nearby abandoned mines, road construction site of National Highway Authority of India (NHAI) along with ash being dumped nearby plant area like schools, govt. offices for site development in free of cost including bearing the transportation cost.

To be harmony with nature and green environment, JSL has undertaken mass plantation programmes in and around the Plant to create thick greenbelt and avenue plantations. As on 31st March, 2018 JSL has undertaken tree plantation of 3,28,421 nos. inside plant covering an area of 185.78 Ha. (37% of total plant area), 13,626 nos. of trees outside plant and free distribution of 76,194 nos. of saplings. Further, JSL has installed Organic Waste converter to use kitchen solid wastes for conversion to organic manure for horticulture use.

JSL is committed towards sustainable clean and green environment with compliance to all statutory obligations.

Health & Safety

Jindal Stainless Limited (JSL) firmly believes in creating a Safety culture among all employees by adopting 4-E's (Engineering Control, Education, Encouragement & Enforcement) principles and through effective management practices by implementation of OHSAS 18001:2007 for Occupational Health & Safety system and promote safety at various stages to roll out "ACCIDENT FREE STEEL".

A robust management system framework and a sound safety governance structure drive our health and safety measures. To achieve our objective of Zero LTI (Loss time injury), long-term Safety Strategies are being implemented across JSL. We endeavour to achieve the goal of "Committed to Zero" i.e. to achieve zero LTI for any unsafe act/s when it comes to Safety.
JSL, Jajpur has set quality standards by monitoring office seating arrangements as well as mobile equipment such as cranes to ensure that their ergonomics are above par. Air pollution control systems have been installed at our plants to reduce dust levels and more and more equipment can now be operated remotely, making onsite jobs safer and less strenuous. Our mobile application allows employees to report any unsafe condition/act in the workplace, besides offering features for online detection of hazardous gases as well as visual displays of the shop floor for better understanding of work processes. EHS Department, comprising of well experienced & empowered Safety Officers, Fire Officers, coupled with area- wise safety responsibility has been constituted to devise best practices & procedures for creating a safe work environment with ensuring applicable safety compliances. Supervisor Responsibility on safety i.e Line Responsibility is inherently adopted thus driving safety ownership at respective shop floors to enhance "Surakhya Chakra". JSL, Jajpur had well structured and experienced firefighting team all round the clock to deal with any emergency situations at Plant.

As an integral part of our EHS systems, Daily and Monthly plant safety review meetings with HODs & Contractors, Monthly Apex Committee Review meeting with HODs – Review by Occupier, Site specific safety officers deployment, supplemented with stewards & contractors Safety Officers/Supervisors, HIRA for all critical activities, HAZOP studies for ongoing projects, safety induction & refresher trainings / awareness, work permit system, use of periodically tested & certified lifting tools & tackles, job safety analysis (JSA), tool box training, adherence to Personal Protective Equipments (PPE), In every 2 year external safety audit conducted and corrective measures taken, Monsoon preparedness before the monsoon season, Minor / near miss incidents are investigated & corrective action taken, Penalty / Suspension systems in place, SOP / SMP/WI prepared & implemented, daily safety inspections, internal joint safety audits are in place to safeguard the safety systems of the Company, Safety Drives & Campaigns, Display of Boards, Hoardings, Placards at prominent locations. Further, to facilitate a better Road safety, the entry of all two wheelers has been strictly prohibited inside the plant premises and controlling the speed limit 20 KMPH of all vehicles plying inside the plant by strict monitoring through enforcement system.

Safe workplace

JSL is committed in its goal of ensuring zero harm to its employees, its contractors and the communities in which it operates. This is integral to the Company's business process and is laid down in its health and safety policy.

JSL's policy principles include amongst other that all injuries and work-related illness can and must be prevented and that excellence in health and safety drives excellence in business results. Health and safety are integrated into all of JSL's business management systems and processes. Health and safety is a key performance indicator and one of the prime drive.

Way Forward

Several internal and external factors augur well for the Company's future. JSL 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. JSL's focus is to carry forward the momentum of recent quarters into the next 12-18 months. Overall, the Company remains confident that itsstrategic initiatives will provide levers for high quality growth and fortify its profitability.

FORWARD-LOOKING STATEMENT

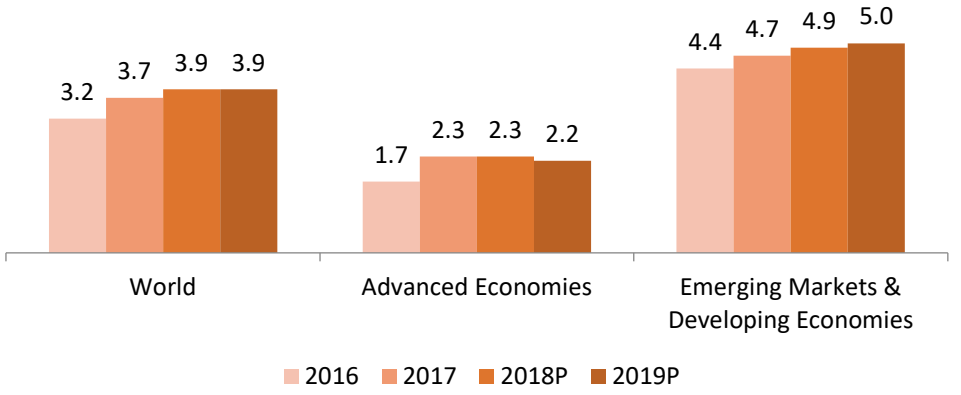
This Annual Report includes forward-looking statements regarding guidance, industry prospects, or future results of operations or financial position. We use words such as anticipates, believes, expects, future, intends, and similar expressions to identify forward looking statements. Forward looking statements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



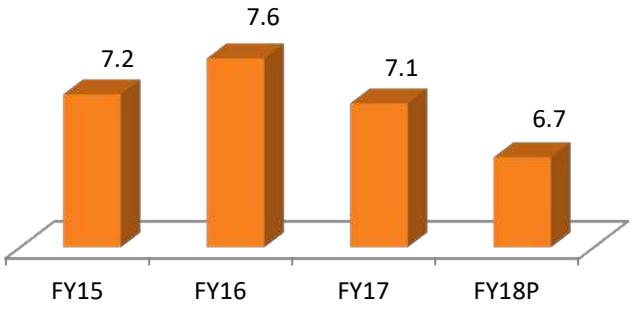
Source: *IMF's World Economic Outlook Update, January 2018*

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.

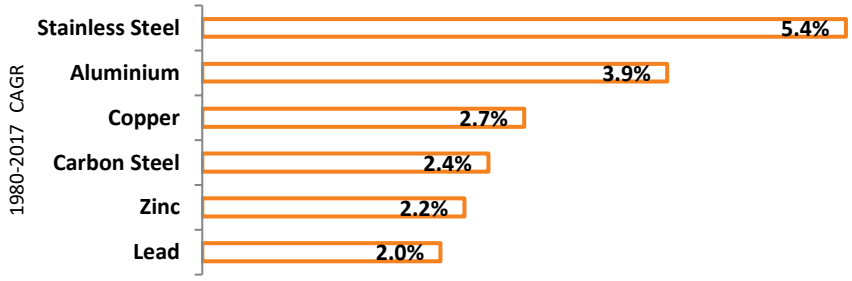
STAINLESS STEEL MARKET OVERVIEW & OUTLOOK

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.

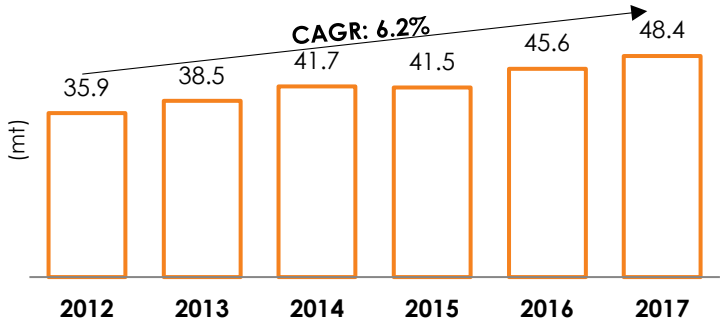
Stainless Steel emerges as fastest growing metal



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



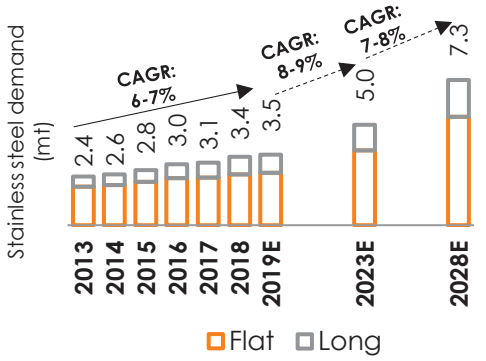
Source: *CRISIL*

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

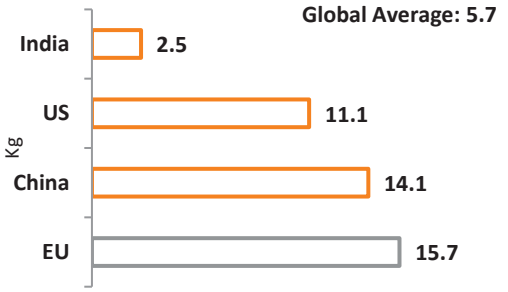
India continues to be the second largest producer and consumer of stainless steel in the world. India's stainless steel demand stood at 3.4 MT in FY18, registering a robust growth of 9% YoY. Despite being the second-largest consumer of stainless steel in the world, India's per-capita consumption at ~ 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*

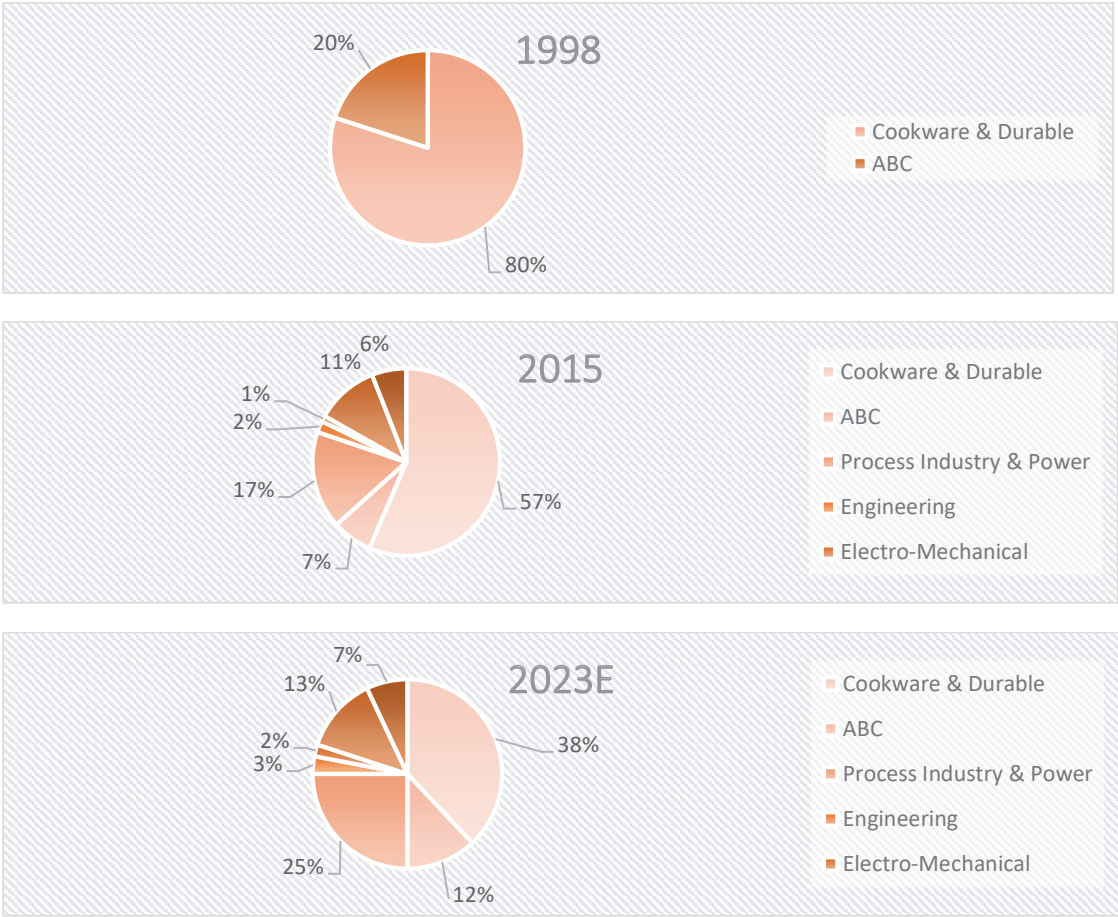
…given low per capita consumption (in kg)



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 Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Jindal Stainless Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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') specified under Section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

4. 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.

5. 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 these standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 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.

Other Matter

9. The comparative financial information for the year ended 31 March 2017 prepared in accordance with Ind AS included in these standalone financial statements have been audited by the predecessor auditor. The report of the predecessor auditor dated 12 May 2017 on the comparative financial information expressed an unmodified opinion on the financial information for the year ended 31 March 2017. Our opinion is not modified in respect of this matter.

Report on other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:

    (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the standalone financial statements dealt with by this report are in agreement with the books of accounts;

(d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

(e) on tthe basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;

(f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 25 April 2018 as per Annexure II expressed an unmodified opinion;

(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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Company, as detailed in Note 27 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;

ii. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No:001076N/N500013

per **Siddharth Talwar**

Partner

Membership N0:512752

Place: New Delhi

Date: 25 April 2018

Annexure I to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited, on the standalone financial statements for the year ended 31 March 2018

Annexure 1

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year, however, there is a regular program of verification once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.

ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.

iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

iv) In our opinion, the Company has complied with the provisions of section 186 in respect of investments and guarantees. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans and security.

v) In our opinion, the Company has complied with the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 and other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, in this regard.

vi) 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 sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable:

(b) The dues outstanding in respect of income-tax, sales tax, services-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ crores)	Amount paid under protcst (₹ crores)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act,1956	Central Sales tax	33.06	8.26	2004-05 to 2007-08	The Hon'ble High Court, Odisha
The Central Sales Tax Act, 1956	Central Sales Tax	2.35	0.47	2013-14 and 2014-15	Commissioner of Commercial Taxes, Odisha
The Odisha Value Added Tax Act, 2004	Value Added Tax	22.92	-	2013-14 and 2014-15	The Hon'ble High Court, Odisha
The Orissa Entry Tax Act, 1999	Entry Tax	12.48		October 2010 to March 2013, 2015-16 and 2016-17	The Hon'ble High Court, Odisha
The Orissa Entry Tax Act, 1999	Entry Tax	56.18	1.08	October 2006 to September 2010	The Hon'ble High Court, Odisha
The Orissa Entry Tax Act, 1999	Entry Tax	34.16	-	2013-14 and 2014-15	The Hon'ble High Court, Odisha
The Orissa Entry Tax Act,1999	Entry Tax	0.10	0.10	April 2006 to September 2006	Additional Commissioner of Commercial Tax
The Customs Tariff Act, 1975	Customs Duty	7.97	0.60	2012-13	Commissioner Of Customs
The Customs Act, 1962	Customs Duty	1.70	0.13	2014-15	Commissioner Of Customs
The Central Excise Act, 1944	Central Excise Duty	0.71	0.18	January 2009 to April 2009	CESTAT
The Central Excise Act, 1944	Central Excise Duty	1.30	1.30	2006-07, 2007-08 and 2008-09	CESTAT
The Central Excise Act, 1944	Central Excise Duty	0.50	0.05	September 2006 to August 2011	CESTAT

Name of the statute	Nature of dues	Amount (₹ crores)	Amount paid under protest (₹ crores)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Central Excise Duty	0.30	-	May 2008 to March 2009	CESTAT
The Central Excise Act, 1944	Central Excise Duty	0.94	-	2011-12 to 2015-16	Commissioner of Central Excise
Income-tax Act, 1961	Income tax	2.17	-	Assessment Year (AY) 2003 04	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income tax	3.01	-	AY 2004-05	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income tax	16.64		AY 2005-06	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income tax	2.24	2.20	AY 2005-06	Commissioner of Income tax (Appeals)
Income-tax Act, 1961	Income tax	0.10	-	AY 2006 07	Additional Commissions of Income tax (Transfer pricing officer)
Income-tax Act, 1961	Income tax	9.06	-	AY 2006 07	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income tax	0.10	-	AY 2006-07	Income tax Appellate Tribunal
Income-tax Act, 1961	Income tax	9.98	-	AY 2007-08	Income tax Appellate Tribunal
Income-tax Act, 1961	Income tax	2.87	2.34	AY 2008 09	Income tax Appellate Tribunal
Income-tax Act, 1961	Income tax	0.30	-	AY 2010-11	Income tax Appellate Tribunal
Income-tax Act, 1961	Income tax	0.21	-	AY 2010 11	Commissioner of Income tax (Appeals)
Income-tax Act, 1961	Income tax	1.80		AY 2011-12	Commissioner of Income tax (Appeals)

viii) As at 31 March 2018, the Company has no continuing defaults in repayment of loans or borrowings to any financial institution or a bank or government or any dues to debenture-holders, though during the year there were certain defaults which have been made good by 31 March 2018.

ix) In our opinion, the Company has applied moneys raised by way of term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year.

x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

xi) Except as stated in note 42 to the financial statements with respect to three directors, managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act. The Company has taken necessary steps for securing refund of excess managerial remuneration, such as communicating with the persons to whom such amounts have been paid, etc. and the said amount is presented as 'other financial assets' in the financial statements.

xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

xiv) During the year, the Company has made preferential allotment of shares. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. Further, in our opinion, the amounts so raised have been used for the purposes for which the funds were raised. During the year, the Company did not make preferential allotment/ private placement of fully or partly convertible debentures.

xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No: 001076N/N500013

per **Siddharth Talwar**

Partner

Membership N0:512752

Place: New Delhi

Date: 25 April 2018

Annexure II to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited on the standalone financial statements for the year ended 31 March 2018

Annexure II

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

1. In conjunction with our audit of the standalone financial statements of Jindal Stainless Limited ('the Company') as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the '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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Annexure II to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited on the standalone financial statements for the year ended 31 March 2018

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 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 issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No: 001076N/N500013

per **Siddharth Talwar**

Partner

Membership N0:512752

Place: New Delhi

Date: 25 April 2018

(₹ crores)

		Note	As at 31-March 2018	As at 31-March 2017
	ASSETS			
1	**Non-current assets**			
	(a) Property, plant and equipment	**2**	6,124.30	6,371.46
	(b) Capital work-in- progress	**2**	141.78	29.73
	(c) Intangible assets	**2A**	19.19	20.10
	(d) Financial assets			
	(i) Investments	**3**	484.14	480.19
	(ii) Loans	**4**	39.91	22.90
	(iii) Other financial assets	**5**	0.40	0.09
	(e) Deferred tax assets (net)	**6**	-	119.15
	(f) Current tax assets (net)	**11**	4.74	-
	(g) Other non- current assets	**7**	56.51	28.72
2	**Current assets**			
	(a) Inventories	**8**	2,012.36	1,754.68
	(b) Financial assets			
	(i) Investments	**3**	0.47	0.97
	(ii) Trade receivables	**9**	828.29	805.01
	(iii) Cash and cash equivalents	**10**	20.52	35.24
	(iv) Bank balances other than (iii) above	**10A**	16.08	5.82
	(v) Loans	**4**	11.63	23.86
	(vi) Other financial assets	**5**	22.08	117.21
	(c) Current tax assets(net)	**11**	17.02	59.09
	(d) Other current assets	**7**	364.90	396.65
	Total assets		**10,164.32**	**10,270.87**
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity share capital	**12**	95.84	79.89
	(b) Other equity	**12A**	2,255.78	1,661.32
	LIABILITIES			
1	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	**13**	3,550.90	3,381.99
	(ii) Other financial liabilities	**14**	50.73	14.41
	(b) Provisions	**15**	4.65	7.40
	(c) Deferred tax liabilities (net)	**6**	45.52	-
	(d) Other non-current liabilities	**16**	349.35	111.70
2	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	**17**	765.54	1738.13
	(ii) Trade payables	**18**	1,940.23	1,643.59
	(iii) Other financial liabilities	**14**	878.02	1227.64
	(b) Other current liabilities	**16**	227.42	404.25
	(c) Provisions	**15**	0.34	0.55
	Total Equity and Liabilities		**10,164.32**	**10,270.87**
	Significant accounting policies	**1**		
	Notes to Standalone Financial Statements	**2-46**		

This is the balance sheet referred to in our report of even date		
For Walker Chandiok & Co LLP Chartered Accountants FRN 001076N/N500013	**Ratan Jindal** Chairman and Managing Director DIN: 00054026	**S. Bhattacharya** Whole Time Director DIN: 03050155
Siddharth Talwar Partner Membership No.: 512752	**Anurag Mantri** Chief Financial Officer	**Navneet Raghuvanshi** Company Secretary
Place: New Delhi **Date :** 25 April, 2018		

Statement of Profit and Loss for the year ended 31 March 2018

(₹ crores)

	Particulars	Note	For the year ended 31-March 2018	For the year ended 31-March 2017
	INCOME			
I	Revenue from operations	**19**	10,963.67	8,957.40
II	Other Income	**20**	45.41	25.55
III	**Total Income [I+II]**		**11,009.08**	**8,982.95**
IV	**EXPENSES**			
	Cost of materials consumed		6,041.87	4,953.76
	Purchases of stock–in-trade		713.33	146.72
	Changes in inventories of finished goods, work in progress and stock–in-trade	**21**	129.31	(123.93)
	Excise duty on sales		179.12	646.12
	Employee benefits expense	**22**	136.97	102.46
	Finance costs	**23**	540.63	761.69
	Depreciation and amortization expense	**24**	303.84	307.98
	Other expenses	**25**	2,482.14	2,125.57
	Total expenses (IV)		**10,527.21**	**8,920.37**
V	**Profit before exceptional items and tax [III-IV]**		**481.87**	**62.58**
VI	Exceptional items	**29**	1.37	26.13
VII	**Profit before tax [V+VI]**		**483.24**	**88.71**
VIII	**Tax expenses**			
	Deferred tax	44	164.97	30.37
	Total tax expenses [VIII]		**164.97**	**30.37**
IX	**Profit for the year [VII-VIII]**		**318.27**	**58.34**
X	**Other comprehensive income**		(0.87)	(0.40)
	Items that will not be reclassified to profit or loss			
	Income tax relating to items that will not be reclassified to profit or loss		0.30	0.14
	Total other Comprehensive income[x]		**(0.57)**	**(0.26)**
XI	**Total Comprehensive Income for the year [IX+X] [Comprising profit and other comprehensive income for the year]**		**317.70**	**58.08**
XII	**Earnings per share (in ₹)**	**39**		
	Basic		7.06	1.63
	Diluted		5.80	1.63
	Significant accounting policies	**1**		
	Notes to Standalone Financial Statements	**2-46**		

This is the Statement of Profit and Loss referred to in our report of even date		
For Walker Chandiok & Co LLP Chartered Accountants FRN 001076N/N500013	**Ratan Jindal** Chairman and Managing Director DIN: 00054026	**S. Bhattacharya** Whole Time Director DIN: 03050155
Siddharth Talwar Partner Membership No.: 512752	**Anurag Mantri** Chief Financial Officer	**Navneet Raghuvanshi** Company Secretary
Place: New Delhi **Date:** 25 April, 2018		

Cash Flow Statement for the year ended 31 March 2018

(₹ crores)

	Particulars	As at 31-March 2018	As at 31-March 2017
(A)	**Cash flow from operating activities**		
	Profit before tax	483.24	88.71
		483.24	**88.71**
	Adjustments for:		
	Depriciation and amortisation expense	303.84	307.98
	Loss on sale of property, plant and equipment(net)	3.26	0.22
	Expenses on employee stock options scheme	-	(1.24)
	Gain on sale of current investments	(0.01)	(0.02)
	Interest income on investments	(4.07)	(0.79)
	Liability no longer required written back	(28.75)	(15.29)
	Amortization of deferred revenue	(10.80)	-
	Other income	(3.56)	(3.60)
	Bad debts written off and allowance for expected credit loss	13.45	11.38
	Interest income on fixed deposits and other receivables	(4.05)	(13.40)
	Net unrealized foreign exchange loss /(Gain)	27.59	(26.13)
	Provision for estimated recompense liability	27.50	-
	Finance costs(net)	540.63	761.69
	Operating profit before working capital Changes	**1,348.27**	**1,109.51**
	Adjustment for changes in:		
	Trade receivables	(38.74)	102.62
	Inventories	(257.68)	(110.96)
	Other financial assets	94.90	3,864.71
	Other assets	11.66	(134.56)
	Trade and other payables	305.70	10.73
	Other financial liabilities	49.13	148.56
	Other liabilities	(119.56)	204.41
	Provisions	(3.83)	0.91
	Cash generated from operating Activities	**1,389.85**	**5,195.93**
	Income tax paid	37.33	(13.69)
	Net cash generated from operating activities	**1,427.17**	**5,182.24**
(B)	**Cash flow from investing activities**		
	Purchase of property, plant and equipment (including capital work in progress)	(179.28)	(46.50)
	Proceeds from sale of property, plant and equipment	2.44	15.82
	Interest received	4.19	17.22
	Loan to related parties	(0.99)	-
	Increase in deposits with banks	(10.57)	7.78
	Proceeds from sale of current investments(net)	0.50	0.43
	Net Cash used in investing activities	**(183.71)**	**(5.25)**
(C)	**Cash flow from financing activities**		
	Proceeds from issue of shares/warrants	49.99	25.01
	Loan taken from related parties	415.00	292.34
	Proceeds from/(repayment of) Short term borrowing(net)	(972.59)	(315.72)
	Proceeds from borrowings	590.00	-
	Repayment of long –term borrowings	(733.38)	(4,362.63)
	Interest paid	(607.20)	(837.49)
	Net Cash used in financing activities	**(1,258.18)**	**(5,198.49)**

(₹ crores)

Particulars	As at 31-March 2018	As at 31-March 2017
Net decrease in cash and cash equivalents	(14.72)	(21.50)
Cash and cash equivalents at the beginning of the year	35.24	56.74
Cash and cash equivalents at the closing of the year	20.52	35.24
Net Changes in cash and cash equivalents	**(14.72)**	**(21.50)**

This is the Cash Flow Statement referred to in our report of even date

For Walker Chandiok & Co LLP Chartered Accountants FRN 001076N/N500013	**Ratan Jindal** Chairman and Managing Director DIN: 00054026	**S. Bhattacharya** Whole Time Director DIN: 03050155
Siddharth Talwar Partner Membership No.: 512752	**Anurag Mantri** Chief Financial Officer	**Navneet Raghuvanshi** Company Secretary

Place: New Delhi
Date: 25 April, 2018

A. EQUITY SHARE CAPITAL

(₹ crores)

As at 01 April 2016	Changes in equity share capital during 2016-17	As at 31 March 2017	Changes in equity share capital during 2017-18	As at 31 March 2018
46.24	33.65	79.89	15.95	95.84

B. OTHER EQUITY

(₹ crores)

Particulars	Reserve and surplus							Money reserve against share warrants	Total
	Employee stock option outstanding (ESOP)	Amalgamation reserve	Foreign currency monetary items translation difference account	Debenture redemption reserve (DRR)	Securities premium account	Capital redemption reserve	Retained earnings		
Balance as at 01 April 2016	**2.51**	**1.22**	**(28.67)**	**56.69**	**425.51**	**20.00**	**746.91**	**-**	**1,224.17**
Profit for the year							58.34		58.34
Securities premium on issue of shares and warrants					332.53				332.53
Subscription amount towards compulsorily convertiable warrants								25.01	25.01
Stock options expired during the year	(1.24)								(1.24)
Amortisation of translation difference on long term foreign currency monetary items			22.77						22.77
Other comprehensive income for the year, net of tax							(0.26)		(0.26)
Transfer from debenture redemption reserve				(2.50)			2.50		-
Balance as at 31 March 2017	**1.27**	**1.22**	**(5.90)**	**54.19**	**758.04**	**20.00**	**807.49**	**25.01**	**1,661.32**
Profit for the year							318.27		318.27
Securities premium on issue of shares against conversion of funded interest term loan					224.71				224.71
Subscription amount towards compulsorily convertiable warrants								49.99	49.99
Conversion of compulsorily convertiable warrants and securities premium thereon					71.16			(75.00)	(3.84)
Stock options expired	(1.27)						1.27		-
Other comprehensive income for the year, net of tax							(0.57)		(0.57)
Amortisation of translation difference on long term foreign currency monetary items			5.90						5.90
Transfer from debenture redemption reserve				(2.50)			2.50		-
Balance as at 31 March 2018	**-**	**1.22**	**-**	**51.69**	**1,053.91**	**20.00**	**1,128.96**	**-**	**2,255.78**

This is the Statement of Changes in Equity referred to in our report of even date.		
For Walker Chandiok & Co LLP Chartered Accountants FRN 001076N/N500013	**Ratan Jindal** Chairman and Managing Director DIN: 00054026	**S. Bhattacharya** Whole Time Director DIN: 03050155
Siddharth Talwar Partner Membership No.: 512752	**Anurag Mantri** Chief Financial Officer	**Navneet Raghuvanshi** Company Secretary
Place: New Delhi **Date :** 25 April, 2018		

Summary of the significant accounting policies and other explanatory information

1. Significant accounting policies

A. Corporate and general information

Jindal Stainless Limited ("the Company") is domiciled and incorporated in India and its equity shares and GDR are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and Luxemburg Stock Exchange (LSE) respectively. The Registered office of the Company is located at O. P. Jindal Marg, Hisar, Haryana, India. The Company is a leading manufacturer of Stainless Steel flat products in Austenitic, Ferritic, Martensitic and Duplex grades. The products range includes Ferro Alloys, Stainless Steel Slabs, Hot Rolled Coils, Plates and Sheets, and Cold Rolled Coils and Sheets.

The financial statements of the Company for the year ended 31 March 2018 were approved and authorized for issue by the Board of Directors in their meeting held on 25 April 2018.

B. Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended upto the reporting date i.e. 31 March 2018.

These financial statements are separate financial statements of the Company. The Company has also prepared consolidated financial statements for the year ended 31 March 2018 in accordance with Ind AS 110 and the same were also approved for issue by the Board of directors on 25 April 2018.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements have been prepared under the historical cost convention basis except for the following:

- Certain financial assets and liabilities which are measured at amortised cost or fair value;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payments which are measured at fair value of the options.

The preparation of these financial statements requires management to make estimates and assumptions. Actual results could vary from those 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 affects only that period or in the period of the revision and future periods if the revision affects both current and future years.

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 crores (except otherwise indicated).

C. Significant accounting policies

a) **Revenue recognition**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is neither continuing managerial involvement with nor effective control over the goods sold, it is probable that economic benefits will flow to the Company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and the amount of revenue can be measured reliably.

Revenue from services rendered is recognized in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

Income from export incentives are recognized on accrual basis.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and service tax, etc..

Interest Income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. For all financial assets measured at amortised cost (refer 'h' below), interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

Dividend Income

Dividend income is recognized at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

b) **Foreign currency translation**

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

Pursuant to the exemption under Ind AS 101, the Company has continued to apply the accounting policy of amortization of exchange differences arising from translation of long-term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period (i.e. year ended 31 March 2016) over the tenure of the underlying item.

c) **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption.

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 borrowing of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are charged to the statement of profit and loss as incurred.

d) **Property, plant and equipment**

Recognition and initial measurement

Property, plant and equipment recognized in the financial statements on the date of transition to Ind-AS are stated at their deemed cost less accumulated depreciation. Items of property, plant and equipment acquired after the date of transition to Ind-AS are stated at their cost of acquisition less accumulated depreciation.

The cost of acquisition comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associates with the item will flow to the Company. When significant parts of property, plant and equipment

are required to be replaced at intervals, the company derecognizes the replaced 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 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.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognized as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight line method over their useful lives and in the manner specified in Schedule II to the Companies Act, 2013. However, in respect of certain plant and machinery and electrical installations, depreciation is provided as per their useful lives ranging from 20 to 40 years, assessed on the basis of technical evaluation by an external expert. Leasehold land is depreciated over the lease term.

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

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro-rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-Recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

e) **Intangible Assets**

Recognition and initial measurement

Purchased intangible assets are stated at cost less accumulated amortization and impairment, if any-

Internally developed intangible assets

Expenditure on the research phase of projects is recognized as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognized as intangible assets, provided the Company can demonstrate the following:

- the technical feasibility of completing the intangible asset so that it will be available for use;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible assets; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development costs not meeting these criteria for capitalization are expensed as incurred.

Directly attributable costs include employee costs incurred on development of prototypes along with an appropriate portion of relevant overheads and borrowing costs.

Subsequent measurement (amortization)

All finite-lived intangible assets, including internally developed intangible assets, are accounted for using the cost model whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, completion, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

Asset category	Estimated useful life (in years)
Mine development expenses (stripping costs)	Over the period of expected duration of benefits
Software	5

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

Intangibles assets with indefinite useful lives (like goodwill, brands), if any are not amortised, 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. If not, the change in useful life from indefinite to finite life is made on prospective basis.

f) Leases

Finance lease

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Kay factors considered include i) the length of the lease term in relation to the economic life of the asset, ii) the present value of the minimum lease payments in relation to the asset's fair value, iii) whether the company obtains ownership of the asset at the end of the lease term. Where the company is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments. A corresponding amount is recognized as a finance lease liability. Assets held under finance leases (including land) are depreciated over their estimated useful lives. The corresponding finance lease liability is reduced by lease payments net of finance changes. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to statement of profit and loss, as finance costs over the period of the lease.

Refer (d) above for the depreciation methods and useful lives for assets held under finance leases.

The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating lease

All leases other than finance leases are treated as operating leases. Where the Company is a lessee, lease rentals are charged to statement of profit and loss on straight line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs. Associated costs, such as maintenance and insurance, are expensed as incurred.

g) **Financial instruments**

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

i. at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

ii in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Non- derivative financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition.

i. **Financial assets at amortised cost –** a financial instrument is measured at amortised cost if both the following conditions are met;

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii **Investments in equity instruments of subsidiaries, joint ventures and associates-** Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 *Separate Financial Statements.*

iii **Financial assets at fair value**

- **Investments in equity instruments other than above** – All equity investments in scope of Ind AS 109 are measured as fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL,). The company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

  If the company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

  Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

- **Mutual funds** - All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortization is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Derivative financial instruments

The company uses derivative financial instruments principally to manage its exposure to fluctuations in interest rates, 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 or liabilities based on their maturity dates. Embedded derivatives are separated from the host contract and accounted for separately if they are nor 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 profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

h) **Impairment of financial assets**

All financial assets expects for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortized cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider-

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

(i) **For debtors that are not past due -** The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognized upon initial recognition of receivables. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

Life time expected credit losses are assessed and accounted based on company's historical counter party default rates and forecast of macro-economic factors, by dividing receivables that are not considered to be individually significant by reference to the business segment of the counter party and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counter party default rates for each identified segment.

The Company defines default as an event when the financial asset is past due for more than 365 days and also considering various factors like specific communication with the concerned debtor, internal assessment of the Company etc. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

(ii) **For debtors considered past due-** any enhancement in the accrual done for expected credit loss on individually significant receivables is made to recognise any additional expected credit loss on amount recoverable. The company writes off trade receivables after it is established beyond doubt that the amount is uncollectible. Financial assets that are written-off are still subject to enforcement activity by the company.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12- month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

i) **Impairment of non-financial assets**

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed which is the higher of fair value less costs of disposal and value-in-use and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future re-organizations and asset enhancements. Discount factors are determined individually for each cash generating unit and reflect current market assessment of the time value of money and asset specific risk factors.

j) **Fair value measurement**

The Company measures certain financial instruments, such as, derivatives and investments at fair value at each balance sheet date.

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.

Refer Note 45 for fair value hierarchy.

k) **Inventories**

Inventories are stated at the lower of cost and net realizable value (except scrap/ waste which are valued at net realizable value). The cost of inventories comprises of all costs of purchase, 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. Costs of inventories are computed using the weighted average cost formula. Net realizable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realizable value of such inventories.

l) Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act 1961. Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax liabilities are generally recognized in full for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

m) Investment in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

n) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be compiled with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants for non monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

o) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand; demand deposits with banks/ corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

p) Post-employment, long term and short term employee benefits

The Company provides post-employment benefits through various defined contribution and defined benefit plans:

Defined contribution plans

A defined contribution plan is a plan under which the Company pays fixed contributions into an independent fund administrated by the government, for example, contribution towards Employees' Provident Fund Scheme and Employees' State Insurance Scheme. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognized as an expense in the year that related employee services are received.

Defined benefit plans

The defined benefit plans sponsored by the Company define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Company.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering services (such as, salaries, wages, short-term compensated absences, performance incentives, expected cost of bonus, ex-gratia, etc.) are classified as short-term employee benefits. Expense in respect of short-term employee benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

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:

(a) When the entity can no longer withdraw the offer of those benefits; and

(b) When the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

q) Non-current assets held for sale and discontinued operations

An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets, assets arising from employee benefits and deferred tax assets, continue to be measured in accordance with the Company's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortization.

A discontinued operation is a component of the Company that either has been disposed of, or is classified as held for sale. Profit or loss from discontinued operations comprise the post-tax profit or loss of discontinued operations and the post-tax gain or loss resulting from measurement and disposal of assets classified as held for sale. Any profit or loss arising for the sale or re-measurement of discontinued operations is presented as part of a single line item, profit or loss from discontinued operations.

r) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligations or a reliable estimate of the amount of the obligation cannot be made.
- Contingent asset are not recognized. However, when inflow of economic benefits is probable, related asset is disclosed.

s) 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 to the financial statements.

t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

D. Significant management judgment in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Allowance for expected credit losses – The allowances for expected credit losses reflects management's estimate of losses inherent in its credit portfolio. This allowances is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collection, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognized in the financial statements.

Evaluation of indicators for impairment of non-financial assets – The evaluation of applicability of indicators of impairment of non-financial assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of Company's plant and equipment.

Defined benefits obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, morality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Contingent liabilities – The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matter related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Fair value measurement of financial instruments: When the fair values of financial assets and financial liabilities recognised 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.

E. Standards issued but not yet effective

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, *Foreign currency transactions and advance consideration* which clarifies 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, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. 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: On 28 March 2018, MCA has notified Ind AS 115, *Revenue from Contract with Customers*. The core principle of new standard is that an entity should recognise 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. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach – Under this 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
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.

The Company is evaluating the requirements of this amendment and the impact on the financial statements is being evaluated.

2. Property, plant and equipment

(₹ crores)

DESCRIPTION	Leasehold Land	Freehold Land *	Buildings **	Plant and Machinery #	Electric Installation	Vehicles	Furniture and Fixtures	Office equipment	Power Line and Bay Extension	Grand Total	Capital work in progress
Gross carrying amount											
As at 01 April 2016	**442.63**	**237.65**	**1,067.48**	**5,018.70**	**119.46**	**6.19**	**3.96**	**2.04**	**9.19**	**6,907.31**	
Additions	-	-	0.33	66.30	1.89	0.95	0.57	0.92	-	**70.95**	
Disposal	-	-	-	(24.44)	-	-	-	-	-	**(24.44)**	
As at 31 March 2017	**442.63**	**237.65**	**1,067.81**	**5,060.57**	**121.35**	**7.14**	**4.53**	**2.96**	**9.19**	**6,953.82**	
Additions	0.16	0.36	8.74	39.55	0.38	1.63	0.95	0.51	-	**52.28**	
Disposal	(2.81)	-	-	(6.88)	(0.55)	(0.55)	(2.26)	(0.66)	-	**(13.71)**	
As at 31 March 2018	**439.98**	**238.01**	**1,076.55**	**5,093.24**	**121.18**	**8.22**	**3.22**	**2.81**	**9.19**	**6,992.39**	
Accumulated depreciation											
As at 01 April 2016	**5.26**	**-**	**30.32**	**246.31**	**7.16**	**1.16**	**0.92**	**0.59**	**0.55**	**292.26**	
Depreciation charge for the year	5.40	-	30.35	252.49	7.26	0.98	0.87	0.62	0.55	**298.50**	
Disposal /Adjustment	-	-	-	(8.33)	-	(0.07)	-	-	-	**(8.40)**	
As at 31 March 2017	**10.66**	**-**	**60.66**	**490.47**	**14.42**	**2.07**	**1.79**	**1.21**	**1.09**	**582.36**	
Depreciation charge for the year	5.40	-	30.53	248.62	6.97	1.29	0.17	0.21	0.55	**293.74**	
Disposal /Adjustment	(0.11)	-	-	(5.50)	(0.45)	(0.46)	(1.30)	(0.19)	-	**(8.01)**	
As at 31 March 2018	**15.95**	**-**	**91.19**	**733.59**	**20.94**	**2.90**	**0.66**	**1.23**	**1.64**	**868.09**	
Net carrying amount											
As at 31 March 2017	**431.97**	**237.65**	**1,007.15**	**4,570.10**	**106.93**	**5.07**	**2.74**	**1.75**	**8.10**	**6,371.46**	**29.73**
As at 31 March 2018	**424.03**	**238.01**	**985.36**	**4,359.65**	**100.24**	**5.32**	**2.56**	**1.58**	**7.55**	**6,124.30**	**141.78**

* Includes ₹ 16.78 crores (previous year ₹ 16.78 crores) jointly owned with other body corporate with 50% share.
** Includes ₹ 1.17 crores (previous year ₹ 1.17 crores) jointly owned with other body corporate with 50% share.
# Includes ₹ 3.65 crores (previous year ₹ 10.80 crores) on account of foreign exchange fluctuation on loan including fluctuation relating to forward cover.

Contractual obligations
Refer note 28 for disclosures of contractual commitments for the acquisition of property, plant and equipment.
Property, plant and equipment pledged as security
Refer note 13 for information on property, plant and equipment pledged as security by the Company.

2A-Intangible Assets

(₹ crores)

DESCRIPTION	Computer Software	Mine development expense (stripping Cost)	Grand Total
Gross carrying amount			
As at 01 April 2016	**21.36**	**14.38**	**35.75**
Additions	0.02	-	0.02
Disposal/Adjustments	-	-	-
As at 31 March 2017	**21.38**	**14.38**	**35.76**
Additions	9.19	-	9.19
Disposal/Adjustments	-	-	-
As at 31 March 2018	**30.57**	**14.38**	**44.95**
Accumulated amortization			
As at 01 April 2016	**4.89**	**1.29**	**6.18**
Amortisation charge for the year	5.80	3.68	9.48
Disposal/Adjustments	-	-	-
As at 31 March 2017	**10.69**	**4.97**	**15.66**
Amortisation charge for the year	6.42	3.68	10.10
Disposal/Adjustments	-	-	-
As at 31 March 2018	**17.11**	**8.65**	**25.76**
Net carrying amount			
As at 31 March 2017	**10.69**	**9.41**	**20.10**
As at 31 March 2018	**13.46**	**5.73**	**19.19**

(₹ in Crore)

Note	DESCRIPTION	As at 31 March 2018			As at 31 March 2017		
		Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
3	**INVESTMENTS**						
I	**NON-CURRENT INVESTMENTS**						
A	**Investment in equity instruments**						
(i)	**Equity shares Fully Paid Up of subsidiary companies carried at cost (unquoted)**						
	PT. Jindal Stainless Indonesia @	12,499,900	USD 1	54.68	12,499,900	USD 1	54.68
	Jindal Stainless UK Limited @@	100,000	GBP 1	0.77	100,000	GBP 1	0.77
	JSL Group Holdings Pte Limited	6,657,565	SGD 1	22.01	6,657,565	SGD 1	22.01
	Jindal Stainless FZE	6	AED 1000000	7.24	6	AED 1000000	7.24
	IberJindal S.L.	650,000	EURO 1	4.26	650,000	EURO 1	4.26
	Total (i)			**88.96**			**88.96**
(ii)	**Equity shares fully paid-up of associates companies carried at cost (unquoted)**						
	Jindal Stainless Corporate Management Services Private Limited	5,000	10	0.01	5,000	10	0.01
	Jindal United Steel Limited	43,918,859	10	119.80	43,918,859	10	119.80
	Jindal Coke Limited	8,432,372	10	87.75	8,432,372	10	87.75
	Total (ii)			**207.56**			**207.56**
(iii)	**Equity shares fully paid-up of other companies carried at fair value through other comprehensive income (unquoted)**						
	MJSJ Coal Limited	8,559,000	10	8.47	8,559,000	10	8.47
	Jindal Synfuels Limited	100,000	10	0.10	100,000	10	0.10
	JSL Energy Limited (₹ 10,000(previous year ₹ 10,000))	1,000	10	0.00	1,000	10	0.00
	Arian Resources Corp. (formerly Golden Touch Resources Corporation)	111,102		0.01	111,102		0.01
	Total(iii)			**8.58**			**8.58**
	Total (A)			**305.10**			**305.10**
B	**Investment in preference shares of associate companies**						
(i)	**0.01% Non-Cumulative Compulsorily Convertible Preference Shares Pending Allotment carried at cost**						
	Jindal Coke Limited	17,617,568	10	17.62	17,617,568	10	17.62
	Jindal United Steel Limited	131,131,081	10	131.13	131,131,081	10	131.13
	Total(i)			**148.75**			**148.75**
(ii)	**10% Non-Cumulative Non Convertiable Redeemable preference shares carried at amortised cost***						
	Jindal Coke Limited	91,647,073	10	14.30	91,647,073	10	12.33
	Jindal United Steel Limited	87,673,311	10	13.68	87,673,311	10	11.79
	Total (ii)			**27.98**			**24.12**
	Total(B)			**176.73**			**172.87**
C	**Investment in government securities carried at amortised cost**						
	8.57% Andhra Pradesh SDL 2020	220,000	100	2.31	220,000	100	2.22
	Total (C)			**2.31**			**2.22**

(₹ in Crore)

Note	DESCRIPTION	As at 31 March 2018			As at 31 March 2017		
		Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
	TOTAL NON-CURRENT INVESTMENS (I)			**484.14**			**480.19**
II	**CURRENT INVESTMENTS**						
A	**Investment in equity instruments-carried at fair value through profit or loss (quoted)**						
	Hotel Leela Ventures Limited	90,000	2	0.15	90,000	2	0.15
	Central Bank of India	7,247	10	0.06	7,247	10	0.08
	Adani Ports and Special Economic Zone Limited	7,355	2	0.26	7,355	2	0.25
	Total (A)			**0.47**			**0.48**
B	**Investment in government securities carried at amortised costs (unquoted)**						
	7.64% KSFC 2018			-	5	1,000,000	0.49
	Total (B)			-			0.49
	TOTAL CURRENT INVESTMENT(II)			**0.47**			**0.97**
	Aggregate amount of unquoted investements			**484.14**			**480.68**
	Aggregate amount and market value of quoted investments			**0.47**			**0.48**

@ undertaking for non disposal of Investment by way of Letter of comfort given to banks against credit facilities/financial assistance availed by subsidiary.

@@ Jindal Stainless UK Limited (Wholly owned subsidiary) has ceased trading with effect from 31 January 2018 and the company is in process of liquidation.

* In terms of Composite Scheme of Arrangement (Refer note 26(ii), Jindal Coke Limited and Jindal United Steel Limited issued 10% non cumulative non convertible redeemable preference shares to the Company.

The difference between the fair value of such preference shares upon initial recognition and the amount of settlement as per the said scheme, has been accounted as deemed equity contribution and added to investment in equity shares.

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
4	**LOANS** (Unsecured, considered good unless otherwise stated)				
	Security deposits	23.62	6.69	6.50	19.64
	Loan to related party	16.29	16.21	5.13	4.22
	TOTAL- LOANS	**39.91**	**22.90**	**11.63**	**23.86**
	Refer note-45 for disclosure of fair value in respect of financial assets measured at amortised cost and assessment of expected credit losses.				

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
5	**OTHER FINANCIAL ASSETS** (Unsecured, considered good unless otherwise stated)				
	Amount receivable in terms of Composite Scheme of Arrangement@	-	-	-	66.79
	Other receivables*	-	-	11.98	50.42
	Derivative assets	-	-	10.10	-
	Bank deposits with remaining maturity of more than 12 Months**	0.40	0.09	-	-
	TOTAL- OTHER FINANCIAL ASSETS	**0.40**	**0.09**	**22.08**	**117.21**

@ Refer note 26
*Includes receivable from Jindal United Steel Limited (an associate company) of ₹ 5.97 crores (previous year ₹ 19.81 crores)
**₹ 0.37 crore (previous year ₹ 0.09 crore) is under lien with banks.
Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
6	**DEFERRED TAX ASSETS (LIABILITIES) (NET)**		
(a)	**Deferred tax liability arising on account of**		
	Property, plant and equipment and intangible assets	1,189.67	1,150.97
	Total deferred tax liability	**1,189.67**	**1,150.97**
(b)	**Deferred tax assets arising on account of**		
	Expenses deductible on payment	251.63	319.03
	Allowances for expected credit losses	20.70	18.81
	Loss on fair value of investments	-	5.80
	Brought forward loss/Unabsorbed depreciation	814.15	868.81
	MAT credit entitlement	57.67	57.67
	Total deferred tax assets	**1,144.15**	**1,270.12**
	TOTAL-DEFERRED TAX ASSETS (LIABILITIES) (NET)	**(45.52)**	**119.15**

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
7	**OTHER ASSETS**				
	Capital advances	45.04	19.16	-	18.18
	Prepaid rent	11.14	9.17	1.58	1.14
	Advances to vendors	-	-	111.82	126.23
	Balances with statutory authorities	-	-	241.96	242.94
	Other receivables	0.33	0.39	9.54	8.16
	TOTAL-OTHER ASSETS	**56.51**	**28.72**	**364.90**	**396.65**

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
8	**INVENTORIES**		
	Raw materials	685.12	342.32
	[including material in transit ₹ 125.46 crores (Previous year ₹ 192.08 crores)]		
	Work in progress	434.51	485.35
	Finished goods	563.32	783.40
	Stock in trade [including material in transit ₹ 56.02 crores (previous year Nil)	60.93	1.37
	Store and spares (including material in transit ₹ 35.40 crores (previous year Nil)	268.48	142.24
	TOTAL- INVENTORIES	**2,012.36**	**1,754.68**
	Inventories have been pledged as security against certain bank borrowings of the Company (Refer note 13 and 17).		

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
9	**TRADE RECEIVABLES (Unsecured)**		
	Considered good	828.29	805.01
	Considered doubtful	8.99	11.14
	Less: - Allowance for expected credit losses	8.99	11.14
	TOTAL-TRADE RECEIVABLES	**828.29**	**805.01**
	(i)Trade receivables have been pledged as security against certain bank borrowings of the Company (Refer note 13 and 17). (ii) Refer note 45 for disclosure of fair values in respects of financial assets measured at amortised cost and assessment of expected credit losses.		

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
10	**CASH AND CASH EQUIVALENTS**		
	Balances with banks	15.33	2.16
	Balances with banks in foreign currency	0.74	0.38
	Bank deposits with original maturity of less than three months*	1.88	20.46
	Cheque in hand/remittances in transit	2.53	12.20
	Cash in hand	0.04	0.04
	TOTAL-CASH AND CASH EQUIVALENTS	**20.52**	**35.24**
	*₹ 1.87 crores (previous year ₹ 10.00 crores) is under lien with banks. Refer note 45 for disclosure of fair values in respect of financial assets is measured at amortised cost and assessment of expected credit losses.		

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
10A	**OTHER BANK BALANCES**		
	Bank deposits with original maturity of more than three months but residual maturity of less than 12 Months*	16.08	5.82
	TOTAL-OTHER BANK BALANCES	**16.08**	**5.82**
	₹ 4.02 crores (previous year ₹ 3.98 crores) is under lien with banks. Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.		

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
11	**CURRENT TAX ASSETS (NET)**				
	Prepaid taxes [Net of provision of ₹ 132.88 crores previous year ₹ 132.88 crores)]	4.74	-	17.02	59.09
	TOTAL-CURRENT TAX ASSETS (NET)	**4.74**	**-**	**17.02**	**59.09**

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
12	**EQUITY SHARE CAPITAL**		
(A)	**AUTHORISED**		
	605,000,000(previous year 600,000,000) equity share of ₹ 2 each	121.00	120.00
	170,000,000 (previous year 170,000,000) Preference share of ₹ 2 each.	34.00	34.00
		155.00	**154.00**
(B)	**ISSSUED, SUBSCRIBED AND PAID UP**		
	479,221,660(previous year 399,469,754) equity shares of ₹ 2 each fully paid up.	95.84	79.89
		95.84	**79.89**

(A) RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AT THE END OF THE REPORTING YEAR

(₹ in Crore)

	As at 31 March 2018	As at 31 March 2017
	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	399,469,754	231,185,445
Shares issued during the year		
On Preferencial basis to Jindal Stainless (Hisar) Limited	-	168,284,309
On conversion of Funded Interest Term Loan I and Funded Interest Term Loan II	60,570,320	-
On Conversion of Compulsorily convertible Warrants	19,181,586	-
Shares outstanding at the end of the year	**479,221,660**	**399,469,754**

(i) During the year the Company has allotted 60,570,320 equity shares having face value of ₹ 2 each (''Equity Shares") to the lenders of the Company Upon conversion of the funded Interest Term Loan I and the Funded Interest Term loan II at a price of ₹ 39.10 (including premium of ₹ 37.10) per shares, aggregating to ₹ 236.83 crores.

(ii) COMPULSORILY COVERTIBLE WARRANTS (CCWs)

During the year ended 31 March 2017, the Company had allotted 19,181,586 CCW having face value of ₹ 2 each convertible into 19,181,586 Equity Shares having the face value of ₹ 2 each to Virtuous Tradecorp Private Limited ("VTPL"), a promoter group entity, for cash consideration at a price of ₹ 39.10 per CCWs (including premium of ₹ 37.10 per CCW) by way of preferential allotment and received a sum of ₹ 25.01 crores towards such application. During the year ended 31 March 2018, 19,181,586 CCW of ₹ 2 each have been converted into 19,181,586 Equity Shares of ₹ each on receipts of the balance Subscription amount of ₹ 26.06 per CCW from VTPL.

(iii) As on 31 March 2018, 8,802,167 GDSs (Previous year 8,802,167 GDSs) with 17,604,334 underlying equity shares (previous year 17,604,334 equity shares) were outstanding Each GDS represents 2 Underlying equity shares of the Company

(B) TERMS/RIGHT ATTACHED TO EQUITY SHARES

The Company has only one class of equity shares having a face value of ₹ 2 per share. Each Shareholder is eligible for one vote per equity shares 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 procedures as prescribed under the Regulation S Deposit Agreement. The Company declares and pays dividend 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.

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

NAME OF THE SHAREHOLDER	As at 31 March 2018		As at 31 March 2017	
	No. of Equity Shares	% holding	No. of Equity Shares	% holding
JSL Overseas Holding Limited	54,260,440	11.32%	27,700,000	6.93%
JSL Overseas Limited	-	-	26,560,440	6.65%
Jindal Stainless (Hisar) Limited	168,284,309	35.12%	168,284,309	42.13%

(D) During the five years immediately preceding 31 March 2018, in year ended 31 March 2017, the Company issued 168,284,309 equity shares to Jindal stainless (Hisar) Limited in terms of the Composite scheme of arrangement referred to in note 26. In the aforementioned period of five years the Company has neither allotted any bonus shares nor have any shares been bought back.

(E) OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES

During the year, the Company has allotted **142,830,637** 0.01% Optionally Convertible Redeemable Preference Shares having face value of ₹ 2 each ("OCRPS") to the lenders of the Company upon conversion of the Funded Interest Term Loan I and The Funded Interest Term Loan II at a price of ₹ 39.10 (including premium of ₹ 37.10) per OCRPS aggregating to ₹ 558.47 crores, on the terms as approved by the Board of Directors of the Company. (Refer note 30 (II) and note 13).

(F) Refer note 36 for shares reserved for issue under Employee Stock Option Plan (ESOP) 2010, equity shares of ₹ 2 each at as exercise price of ₹ 75 per share.

12A. OTHER EQUITY

i) Employee Stock option outstanding (ESOP)

The reserve represents accumulated expense in respect of vested employee stock options.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	1.27	2.51
Less: Expired during the year	1.27	1.24
Balance at the end of the year	**-**	**1.27**

ii) Amalgamation Reserve

This reserve was created in accordance with an approved scheme of amalgamation between Jindal Stainless Limited Austenitic creations Pvt. Limited and J-inox Creations Pvt. Limited with effect from 1 April 2003.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	1.22	1.22
Balance at the end of the year	**1.22**	**1.22**

iii) Foreign Currency Monetary items translation difference account

This reserve represents unamortised foreign exchange differences arising on translation of long term foreign currency monetary items.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	(5.90)	(28.67)
Less: Amortised during the year	5.90	22.77
Balance at the end of the year	**-**	**(5.90)**

iv) Debenture redumption reserve

The Companies Act 2013 requires companies that issue debentures to create a debenture redumption reserve from annual profits. Companies are required to maintain a reserve of 25% of the value of redeemable debentures. The amounts credited to the debenture redumption reserve may not be utilized except to redeem debentures.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	54.19	56.69
Less: Transferred during the year to retained earnings.	2.50	2.50
Balance at the end of the year	**51.69**	**54.19**

v) Securities Premium account

Represents the amount received in excess of par value of securities.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	758.04	425.51
Add: Securities premium received on conversion of compulsorily convertible warrants and funded interest term loan	295.87	332.53
Balance at the end of the year	**1,053.91**	**758.04**

vi) Capital Redumption Reserve

Capital redumption reserve represents reserve created as per provisions of section 80 of Companies Act 1956 on redemption of 10.5% Redeemable Cumulative non convertible Preference Shares in the Financial year 2003-04.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	20.00	20.00
Balance at the end of the year	**20.00**	**20.00**

vii) Retained Earnings

Represents the undistributed surplus of the Company.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	807.49	746.91
Add: Profit for the year	318.27	58.34
Less: Other Comprehensive income for the year, net of tax	(0.57)	(0.26)
Add: Transfer from debenture redumption reserve	2.50	2.50
Add: Stock options expired	1.27	-
Balance at the end of the year	**1,128.96**	**807.49**

viii) Money received against share warrants

Represents amount received towards Subscription of Compulsorily convertible warrants (Refer note 12 (ii))

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	25.01	25.01
Add: Subscription amount towards compulsorily convertible warrants	49.99	-
Less: Conversion of compulsorily convertible warrants	(75.00)	-
Balance at the end of the year	**-**	**25.01**

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
13	**BORROWINGS SECURED**				
(a)	**DEBENTURES**				
	Redeemable non convertible debentures	138.48	184.25	28.80	32.50
		138.48	**184.25**	**28.80**	**32.50**
(b)	**TERM LOANS**				
	From banks				
	Rupee term Loans	1,198.54	1,277.01	92.34	51.69
	Foreign currency loans	476.63	740.05	238.31	247.63
	From others (Non banking financial corporations)				
	Rupee term Loans	202.77	-	43.31	-
		1,877.94	**2,017.06**	**373.96**	**299.32**
(c)	**FUNDED INTEREST TERM LOANS**				
	From banks	-	651.23	-	166.34
	From others	27.98	44.45	9.64	9.84
		27.98	**695.68**	**9.64**	**176.17**
	TOTAL-SECURED	**2,044.40**	**2,896.99**	**412.40**	**507.99**
	UNSECURED				
(d)	0.01% Optionally Convertible Redeemable Preference Shares [Refer note 30 (II)]	606.50	-	-	-
(e)	Inter Corporate deposits from related party	900.00	485.00	-	-
	TOTAL- UNSECURED	**1,506.50**	**485.00**	**-**	**-**
	Less: Amount disclosed under the head Other financial liabilities-current (Refer note 14)	-	-	412.40	507.99
	TOTAL-NON CURRENT BORROWINGS	**3,550.90**	**3,381.99**	**-**	**-**
	Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.				

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Company's liabilities arising from financing activities can be classified as follows:

(₹ in Crore)

Particulars	Long term borrowings	Short-term Borrowings (Refer note 17)
Opening balance as on 1 April 2017	**3.889.98**	**1,738.13**
CASH FLOWS:		
Repayment	(733.38)	(972.59)*
Proceeds	1,005.00	-
NON- CASH:		
Conversion of Funded Interest Term Loan I and Funded Interest Term Loan II into equity shares	(236.83)	-
Interest accrued on 0.01% Optionally Convertible Redeemable Preference shares (Refer note 30(II))	48.04	-
Amortisation of transaction costs in respects of Financial Liabilities carried at amortised cost	(9.51)	-
Closing balance as on 31 March 2018	**3,963.30**	**765.54**

*Short term borrowings are presented on net basis

Instruments	Balance (₹ crores) as at		Repayments terms for borrowings outstanding as on 31 March 2018	Security details for borrowings outstanding as on 31 March 2018
	31 March 2018	31 March 2017		
SECURED BORROWINGS				
Redeemable Non-Convertible Debentures	167.28	216.75	Redeemable in quarterly installments of: -₹ 9.60 crores each crores each during 2018-19 (three installments) -₹ 10.20 crores each during 2019-20 -₹ 11.40 crores each during 2020-21 -₹ 10.42 crores each during 2021-22 (five installments)	Pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present and future and second pari-passu charge by way of hypothecation and / or pledge of current assets namely finished goods, raw materials, work in progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, Refer note 30 (III)
Rupee Term Loan	45.26	86.68	Repayable in quarterly installments of: -₹ 2.60 crores each during 2018-19 -₹ 2.76 crores each during 2019-20 -₹ 3.09 crores each during 2020-21 -₹ 2.82 crores each during 2021-22	Secured by: -first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present and future and -second pari-passu charge by way of hypothecation and / or pledge of current assets namely finished goods, raw materials, work in progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, refer note 30 (III).
Rupee Term Loan	48.02	235.05	Repayable in quarterly installments of: -₹ 2.60 crores each during 2018-19 -₹ 2.94 crores each during 2019-20 -₹ 3.81 crores each during 2020-21 -ranging from ₹ 1.60 crores to ₹ 2.91 crores each during 2021-22	
Rupee Term Loan	911.52	956.08	Repayable in quarterly installments of: -₹ 7.19 crores each during 2018-19 -₹ 9.58 crores each during 2019-20 -thereafter ranging from ₹ 14.37 crores to ₹ 46.44 crores each during 2020-21 to 2026-27	
Rupee Term Loan	274.18	-	Repayable in quarterly installments of: -₹ 11.25 crores each during 2018-19 -₹ 18.75 crores each during 2019-20 -₹ 18.75 crores each during 2020-21 -₹ 18.75 crores each during 2021-22 And installments of ₹ 4.19 crores during 2022-23	Secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present and future. Also, Refer note 30(III)(a).
Rupee Term Loan	250	-	Repayable in monthly installments -ranging from ₹ 3.33 crores to ₹ 5.0 crores during 2018-19 -thereafter ranging from ₹ 1.25 crores to ₹ 6.67 crores during 2019-20 to 2022-23	
Rupee Term Loan	-	21.82		
Rupee Term loan	17.38	29.07	Repayable in quarterly installments of: -₹ 1.00 crores each during 2018-19 -₹ 1.06 crores each during 2019-20 -₹ 1.19 crores each during 2020-21 -₹ 1.08 crores each during 2021-22	Secured by second pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present and future and hypothecation and/ or pledge of current assets namely finished goods, raw materials, work in progress, consumables stores and spares, book debts and bills receivable, both present and future. Also, Refer note 30 (III)
Total	**1,546.36**	**1,328.70**		
Less: Unamortised portion of upfront fees and transaction cost	(9.40)	-		
Total-Rupee Term Loans	**1,536.96**	**1,328.70**		

Instruments	Balance (₹ crores) as at		Repayments terms for borrowings outstanding as on 31 March 2018	Security details for borrowings outstanding as on 31 March 2018
	31 March 2018	31 March 2017		
Foreign Currency Loan	-	33.10		
Foreign Currency Loan	714.94	954.58	Repayable in annual installments of ₹ 238.31 crores each during 2018-19 to 2020-21	Secured by -first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present and future and -Second pari-passu charge by way of hypothecation and / or Pledge of current assets namely finished goods, raw materials, work in progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, Refer note 30 (III)(c).
Total-Foreign Currency Loan	**714.94**	**987.68**		
Funded Interest Term Loans	23.76	399.18	Repayable in quarterly installments of: -₹ 1.37 crores each during 2018-19 -₹ 1.45 crores each during 2019-20 -₹ 1.62 crores each during 2020-21 -₹ 1.47 crores each during 2021-22	Secured by -first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present and future and -Second pari-passu charge by way of hypothecation and / or Pledge of current assets namely finished goods, raw materials, work in progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, Refer note 30 (III).
Funded Interest Term Loans	13.86	472.67	Repayable in quarterly installments of ₹ 1.39 crores each from 30 April 2018 till 31 July 2020.	
Total-Funded Interest Term Loans	**37.62**	**871.85**		
TOTAL –SECURED BORROWINGS	**2,456.80**	**3,404.98**		
UNSECURED BORROWINGS				
0.01% Optionally Convertible Redeemable Preference Shares	606.50	-	Refer note 30(II)	
Inter-Corporate deposits from related party	900.00	485.00	Repayable in one or more installments by 31 March 2023 or such other terms as may be mutually agreed between the Company and Jindal Stainless (Hisar) Limited.	
TOTAL-UNSECURED BORROWINGS	**1,506.50**	**485.00**		
TOTAL-LONG TERM BORROWINGS	**3,963.30**	**3,889.98**		

The above Term loans (including Redeemable Non-Convertible Debentures, Rupee Term Loans and Funded Interest Term Loans) bear a floating rate of interest linked with SBI Base Rate/ MCLR of respective banks plus applicable spread ranging from 100 bps to 425 bps.

Foreign currency loan facilities carry rate of interest , equivalent to applicable LIBOR plus applicable spread ranging from 380 bps to 395 bps.

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
14	**OTHER FINANCIAL LIABILITIES @**				
	Current maturities of long term borrowings	-	-	412.40	507.99
	Interest accrued	-	-	16.31	121.39
	Capital Creditors	-	-	73.87	71.93
	Security deposits	23.23	7.64	61.42	11.86
	Unpaid matured deposits and interest accrued thereon	-	-	0.36	0.56
	Derivative liability	-	-	12.06	-
	Other outstanding financial liabilities*	27.50	6.77	301.60	513.91
	TOTAL–OTHER FINANCIAL LIBILITIES	**50.73**	**14.41**	**878.02**	**1,227.64**
	* Payable to a bank ₹ Nil {16 monthly installments (including 2 installments in Non-Current of ₹ 3.43 crores each)} (including interest)}. * include ₹ 141.41 crores (previous year ₹ 164.44 crores) payable to Jindal Stainless (Hisar) Limited and Nil (previous year ₹ 159.76 crores) to Jindal Coke Limited. @ Refer note 45 for disclosure of fair values in respects of financial liabilities measured at amortized cost and analysis of their maturity profiles.				

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
15	**PROVISIONS**				
	For employee benefits	4.65	7.40	0.34	0.55
	TOTAL-PROVISIONS	4.65	**7.40**	**0.34**	**0.55**

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
16	**OTHER LIABILITIES**				
	Advance from customers	-	-	112.73	156.91
	Deferred Revenue	284.16	111.70	12.63	4.70
	Other financial Liabilities*	65.19	-	102.06	242.64
	TOTAL-OTHER LIABILITIES	**349.35**	**111.70**	**227.42**	**404.25**
	*Includes statutory dues				

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
17	**CURRENT BORROWINGS SECURED***		
	Working capital facilities from bank	377.72	939.28
	Buyer's Credit in foreign currency –against working capital	387.82	798.85
	TOTAL-CURRENT BORROWINGS	**765.54**	**1,738.13**
	* Working capital facilities including Buyer's credit facility are secured by way of hypothecation and / or pledge of current assets namely finished goods, raw material, work in progress, consumable stores and spares, book debts, bills receivable and by way of second charge in respects of other moveable and immovable properties of the Company. * Working capital facility from bank amounting to ₹ 368.23 crores (previous year ₹ 887.32 crores) and working capital buyers credit amounting to ₹ 371.98 crores (previous year ₹ 782.63 crores) are also secured by additional securities as mentioned in note 30 (III).		

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
18	**TRADE PAYBLES**		
	Trade paybles(including acceptances)	1,921.14	1,641.65
	Micro and Small enterprises (Refer note 32)	19.09	1.94
	TOTAL-TRADE PAYABLES	**1,940.23**	**1,643.59**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
19	**REVENUE FROM OPERATIONS**		
(a)	**SALE OF PRODUCTS**		
	Manufactured goods [net of discounts of ₹ 96.78 crores (previous year ₹ 53.15 crores)]	9,826.12	8,131.26
	Trading goods	661.33	146.76
		10,487.45	**8,278.02**
(b)	**SALE OF SERVICES**		
	Job Charges received	281.23	544.84
	Business Support Services	49.05	-
		330.28	**544.84**
(c)	**OTHER OPERATING REVENUE**		
	Export benefits	100.68	98.82
	Sale of gases	0.30	0.94
	Liability no longer required written back	28.75	15.29
	Others	16.21	19.49
		145.94	**134.55**
	TOTAL-REVENUE FROM OPERATION	**10,963.67**	**8,957.40**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
20	**OTHER INCOME**		
(a)	**INTEREST INCOME ON**		
	Investments	4.07	0.79
	Fixed deposits and other receivables	2.11	5.71
	Trade receivables (Net of provisions ₹ 6.80 crores (previous year ₹ 6.41 crores)]	4.49	3.68
	Income tax refund	1.94	7.69
	Others	3.56	2.31
		16.17	**20.18**
(b)	**DIVIDEND INCOME FROM CURRENT INVESTMENT**	**-**	**-**
	₹ 9,561 (previous year ₹ 10,000)		
(c)	**NET GAIN ON SALE OF CURRENT INVESTMENT**		
	Gain on sale	0.01	0.01
	Reversal of impairment	-	0.01
		0.01	**0.02**
(d)	**OTHER NON-OPERATING INCOME(NET)**		
	Insurance claim received	13.22	3.42
	Others	16.01	1.93
		29.23	**5.35**
	TOTAL-OTHER INCOME	**45.41**	**25.55**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
21	**CHANGE IN INVENTORIES OF FINISHED GOODS, WORKS IN PROGRESS AND STOCK –IN – TRADE**		
	OPENING STOCK		
	Finished goods	783.40	818.17
	Work in progress	485.35	326.14
	Stock –in- trade	1.37	1.97
	TOTAL OPENING STOCK	**1,270.12**	**1,146.28**
	CLOSING STOCK		
	Finished goods	563.32	783.40
	Work in progress	434.51	485.35
	Stock –in- trade	60.93	1.37
	TOTAL CLOSING STOCK	**1,058.76**	**1,270.12**
	Excise duty on account of increase/(decrease) in stock of finished products	**(82.05)**	**(0.09)**
	TOTAL – CHANGES IN INVENTORIES	**129.31**	**(123.93)**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
22	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages, bonus and other benefits	122.83	93.58
	Contribution to provident and other funds	5.46	4.33
	Staffs welfare expenses	8.68	4.55
	TOTAL – EMPLOYEE BENEFITS EXPENSE	**136.97**	**102.46**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
23	**FINANCE COSTS**		
	Interest expenses [net of interest refund ₹ 109.07 crores from banks, Previous year: net of interest reimbursement from associates of ₹ 236.74 crores]	498.23	719.21
	Other borrowing costs	42.40	42.48
	TOTAL –FINANCE COSTS	**540.63**	**761.69**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
24	**DEPRICIATION AND AMORTISATION EXPENSES**		
	Depreciation on property, plant and equipment	293.74	298.50
	Amortisation of intangible assets	10.10	9.48
	TOTAL-DEPRICIATION AND AMORTISATION EXPENSES	**303.84**	**307.98**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
25	**OTHER EXPENSES**		
(a)	**MANUFACTURING EXPENSES**		
	Consumption of stores and spare parts	518.93	429.42
	Power and fuel	690.42	529.71
	Labour processing and transportation Charges	130.65	112.19
	Repairs to building	12.26	7.73
	Repairs to plant and machinery	28.34	20.25
	Job work expenses	543.09	537.26
	Others manufacturing expenses	164.72	172.00
	Loss on sale/discard of property, plant and equipment	3.26	-
		2,091.67	**1,808.56**
(b)	**ADMINISTRATIVE EXPENSES**		
	Insurance	8.30	8.06
	Rent	5.83	5.21
	Rates and Taxes	9.71	11.27
	Legal and professional	64.92	35.54
	Communication	2.60	2.33
	Printing and stationary	4.69	1.44
	Travelling and Conveyance	4.46	3.16
	Director's meeting fees	0.18	0.07
	Vehicle upkeep and maintenance	8.61	5.46
	Auditor's Remuneration	0.48	0.64
	Miscellaneous Expenses	16.08	10.48
		125.86	**83.69**
(c)	**SELLING EXPENSES**		
	Freight and forwarding Expenses	180.77	150.95
	Commission on Sales	40.81	36.22
	Others Selling Expenses	27.97	33.15
	Allowance for expected Credit losses	7.87	5.14
	Bad debts written off	5.58	6.24
	Advertisement and publicity	1.64	1.62
		264.61	**233.32**
	TOTAL- OTHER EXPENSES	**2,482.14**	**2,125.57**

26. Composite Scheme of arrangement

i. Composite Scheme of Arrangement (hereinafter referred to as the 'scheme') amongst the company (transferor company) and its three wholly owned subsidiaries, namely, Jindal Stainless (Hisar) Limited (JSHL), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) (resulting companies) under the provisions of Sections 391-394 read with Sections 100-103 of the companies Act, 1956 and other relevant provisions of Companies Act, 1956 and / or Companies Act, 2013 has been sanctioned by the Hon'ble High Court of Punjab & Haryana, Chandigarh vide its Order dated 21 September 2015, amended vide order dated 12 October 2015.

Section I and Section II of the Scheme became effective on 1 November 2015, operative from the appointed date i.e. close of business hours before midnight of 31 March 2014. Section III and Section IV of the Scheme became effective on 24 September 2016 (i.e. on receipts of approvals from the Orissa Industrial Infrastructure Development Corporation (OIIDCO) for the transfer/grant of the right to use of the land on which Hot Strip Mill (HSM) Plant and Coke Oven Plants are located to JUSL and JCL, respectively as specified in the Scheme), operative from the appointed date i.e. close of business hours before midnight of 31 March 2015.

ii. Pursuant to the Section III and Section IV of the Scheme becoming effective:

a. Business undertaking 2, comprising, inter alia, of the HSM Plant of the Company, has been transferred to JUSL at a lump sum consideration of ₹ 2,412.67 crores; out of this ₹ 2,150.00 crore has been received, and against the balance amount of ₹ 262.67 crores, JUSL is to issue and allot to the company:

- 175,000,000 0.01% non-cumulative compulsorily convertible preference shares (CCPS) having face value of ₹ 10 each during the year ended 31 March 2017 43,868,919 CCPS were allotted to the company and converted into equal number of equity shares of ₹ 10 each as fully paid at par and the balance 131,131,081 CCPS have been presented as " Investment in 0.01% non-cumulative compulsorily convertible preference shares pending allotment " (Refer note 3) , and 87,673,311 10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each, which have been allotted to the company.

b. Business undertaking 3, comprising, inter alia, of the Coke Oven plant of the company, has been transferred to JCL at a lump sum consideration of ₹ 492.65 crores; out of this ₹ 375.00 crore has been received and against the balance amount of ₹ 117.65 crores, JCL to issue and allot to the company.

- 26,000,000 0.01% non-cumulative CCPS having face value of ₹ 10 each [during the year ended 31 March 2017 8,382,432 CCPS were allotted to the company and converted into equal number of equity shares of ₹ 10 each fully paid at par and the balance 17,617,568 CCPS have been presented as "Investment in 0.01% non-cumulative compulsorily convertible preference shares pending allotment" (Refer note 3)],

- 91,647,073 10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each, which have been allotted to the company.

c. Post section III and section IV of the Scheme becoming effective, as per the Scheme, the company is continuing to operate the business on behalf of JCL and JUSL in trust in so far as may be necessary until all rights, licenses and permits stand fully devolved to and in favour of the resulting companies (JCL and JUSL). Accordingly, the revenue and expenses in this regard for year ended 31 March 2018 have been excluded from statement of profit and loss the transactions entered undertaken on behalf of such companies are recognized in company's books as inter-company balances.

27. Contingent Liabilities

(₹ crores)

		As at 31 March 2018	As at 31 March 2017
A.	**Demands from statutory and regulatory authorities**		
a)	i.) Sales tax, value added tax and entry tax*	141.77	148.95
	ii.) Excise duty, custom duty and service tax	39.08	100.17
	iii) Income tax	48.48	46.82
b)	i) Claims against the Company not acknowledged as debt (disputed demand of electricity).	-	55.34
	ii) Demand from office of the Dy. Director of Mines, Jaipur Road Circle, Odisha on account of minning of excess quantity of chrome ore over and above the approved quantity under minning plan/scheme	85.40	85.40
	iii) Royalty under the Mines and Minerals (Development and Regulation) Act, 1957, rural infrastructure and socio-economic development tax under the Odisha Rural Infrastructure and Socio-Economic Development Act, 2004 and water tax under the Odisha Irrigation Act, 1959.	6.91	6.54
B.	Letter of Comfort to banks against credit credit facilities / financial assistance availed by subsidiaries.	-	51.73
C.	Corporate guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless (Hisar) Limited- amount for facilities outstanding (read with note 26)	2,798.36	3,392.78

*The Company had challenged the legality of Orissa Entry Tax Act, 1999 before the Hon'ble Supreme Court. In accordance with the order dated 09 October 2017 of Divisional bench of the Hon'ble Supreme Court read with the order dated 11 November 2016 of 9 judge bench of Hon'ble Supreme Court, the company has filed revival petition before the Hon'ble High court of Orissa on ground of discrimination under article 304(a), as per the direction of the Hon'ble Supreme Court. Liablity in this regard has been provided for. However, interest/penalty (if any) has been stayed by Hon'ble High Court of Orissa in three separate writ petitions filed by the Company on the issue exclusively on the legality of imposing interest under the Orissa Entry Tax Act, 1999, and therefore, liability, if any, in this regard will be recognized when this matter is finally settled / determined by the Hon'ble High Court of Orissa.

28. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 161.29 crores (previous year ₹ 129.73 crores).

29. Exceptional items include:

i) Provision for estimated recompense liability to lenders as per CDR guidelines: ₹ 27.50 crores (previous year NIL) Refer note 30).

ii) Gain (net) of ₹ 36.47 crores (previous year: gain (net) of ₹ 33.24 crores) on translation/ settlement of foreign currency monetary items.

iii) Loss (net) of ₹ 1.70 crores (previous year: gain (net) of ₹ 0.12 crore) on fair valuation and settlement of derivative contracts.

iv) Amortisation of debit balance in foreign currency monetary item translation difference account of ₹ 5.90 crores (previous year: ₹ 7.23 crores).

30. Corporate Debt Restructuring (CDR)

I. Pursuant to the approval of reworked CDR package ("Rework Scheme) in September 2012 and execution of Amended and Restataed Master Restructuring Agreement ("Amended MRA"), the long term financial obligations to the CDR lenders were reworked including reworking of repayment schedule, creation of Funded Interest Term Loan (FITL, II) for certain facilities, adjustment in interest rates, etc.

II. In accordance with CDR Empowered Group (EG) approval vide letter dated 26 December 2014, during the year ended 31 March 2018, the Company has allotted 60,570,320 equity shares of face value of ₹ 2 each and 142,830,637 0.01%. Optionally Convertible Redeemable Preference Shares (OCRPS) of face value of ₹ 2 each, both at a premium of ₹ 37.10 per share on conversion of funded interest term loan I and II. As per the terms of the OCRPS, these are redeemable at the option of the Company, anytime upto 31 October 2020. If these are not redeemed by then, the CDR lenders have an option to convert these into equal number of equity shares of the Company anytime upto 31 March 2022. If neither of these options are exercised, these are redeemable on April 2022. If redeemed, the Company shall be obligated to pay or recompense amount upto the Date of redemption.

III. The credit facilities/ loans under the Rework Scheme are also secured by:

a. Unconditional and irrevocable personal guarantee of CMD Mr. Ratan Jindal;
b. Unconditional and irrevocable corporate guarantee of promoter group companies in proportion to the number and to the extent equity shares pledged by each promoter group company;
c. Unconditional and irrevocable corporate guarantee of Jindal Stainless (Hisar) Limited.
d. Pari passu pledge of 183,832,727 equity shares held in the Company by promoters.
e. Pledge over shares of the subsidiaries / associates as listed below:
   - PT. Jindal Stainless Indonesia
   - Jindal Stainless UK Limited
   - JSL, Stainless FZE
   - JSL, Group Holdings Pte. Limited
   - Iberjindal S.L.
   - Jindal Coke Limited
   - Jindal United Steel Limited

IV. Since the financial performance of the company during the current and previous financial year was better than the projections as per the approved CDR package, during the current year ended 31 March 2018, the company has initiated negotiations with the CDR lenders for voluntary exist from CDR scheme. The exit from CDR mechanism is subject to approval by the respective banks and / or the CDR EG. CDR exit will lead to greater operational and financial flexibility for the company so that it can go ahead with its growth plans.

V. The Amended MRA as well as the Master Circulars on Corporate Debt Restructuring issued by the Reserve Bank of India, gives a right to the CDR lenders to get the recompense of their waivers and sacrifice made as a part of CDR proposal. The total amount of recompense computed by the Company in accordance with Master Circulars on Corporate Depth restructuring amounts to ₹ 49.70 crores which is subject to final confirmation /reconciliation with individual venders (read with note 29(i)).

31. There are no overdue financial obligation to any banks/ financial institutions as on 31st March 2018 (as on 31st March 2017: ₹ 266.68 crores to 30 lenders, overdue upto 60 days).

32. Based on the intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the required disclosure is given below (to the extent information available with the Company):

(₹Crores)

S.No.	Particulars	As at 31 March 2018	As at 31 March 2017
1	Principal amount due outstanding	19.09	1.94
2	Interest due on (1) above and unpaid	-	-
3	Interest paid to the supplier	-	-
4	Payment made to the supplier beyond the appointed day during the year	-	-
5	Interest due and payble for the period of delay	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payble in succeeding year.	-	-

33. Derivative contracts entered into by the company and outstanding as on 31 March 2018 for hedging foreign currency risks.

Nature of Derivative	Type	As at 31 March 2018		As at 31 March 2017	
		No. of Contracts	Foreign Currency (Million)	No. of Contracts	Foreign Currency (Million)
Forward Covers					
USD/INR	Sell	73	$ 202.05	8	$ 12.14
EURO/USD	Sell	32	€ 69.72	26	€ 55.87
USD/INR	Buy	217	$ 145.46	214	$ 131.71
USD/INR(ECB and Interest)	Buy	-	-	5	$ 8.63

34. In Compliance with Ind AS-18 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the reported revenue for the period upto 30 June 2017 is inclusive of Excise duty. Goods and Service tax (GST) is made applicable w.e.f. 1 July 2017 and as per Ind AS-18, revenue for the period from 1 July 2017 to 31 March 2018 is net of GST.

35. Employee Benefits

A. Defined Contribution plans

The amount recognised as expense towards contribution to defined contribution plan for the year is as below:

(₹ Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Company's contributions to Provident Fund	4.69	3.62
Company's contributions to Employee's State Insurance Scheme	0.29	0.13
Total	**4.98**	**3.75**

B. Defined Benefit plan - Gratuity

I. Movement in the present value of defined benefit obligation recognized in the balance sheet

(₹ Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Present value of defined benefit obligation as at the start of the year	6.35	6.13
Transfer in/ out of employees between group companies	(0.13)	(0.22)
Current service cost	1.20	1.11
Past service cost	0.17	-
Interest cost	0.48	0.49
Benefits paid	(1.01)	(0.74)
Actuarial (gain)/ loss arising from Changes in financial assumptions	(0.25)	0.36
Actuarial (gain)/loss arising from experience adjustments	1.21	(0.78)
Present value of defined benefit obligation as at the end of the year	**8.02**	**6.35**

II. Movement in the plan assets recognised in the balance sheet

(₹ Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Fair value of plan assets at the beginning of the year	2.89	3.36
Expected Interest income	0.22	0.27
Employer contributions	6.54	-
Benefits paid	(1.01)	(0.74)
Fair value of plan assets at the end of the year	**8.64**	**2.89**
Present value of defined benefit obligation	8.02	6.35
Net funded status of plan-assets /(obligation)	**0.62**	**(3.46)**
Actual return on plan assets	0.31	0.25

The Company's plan assets primarily comprise of qualifying insurance policies issued by Life Insurance Corporations of India amounting to ₹8.71 crores (previous year ₹ 2.87 crores) for group gratuity scheme of the Company.

III. Amount recognised in the statement of profit and loss is as under:

(₹ Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Current service Cost	1.20	1.11
Past Service Cost	0.17	-
Net interest Cost	0.26	0.22
Amount recognised in the statement of profit and loss	**1.63**	**1.33**

IV. Break-up of remeasurement of net defined benefit liability/asset:

(₹ Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Actuarial (gain)/ loss arising from changes in financial assumptions	(0.25)	0.36
Actuarial (gain)/ loss arising from experience adjustments	1.21	(0.78)
Return on plan assets excluding amounts included in net interest on net defined benefit liability(asset)	(0.09)	0.02
Total remeasurement of net defined benefit liability/ asset	**0.87**	**(0.40)**

V. The principle actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

(₹ Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Discount rate	7.80% p.a.	7.54% p.a.
Expected rate of increase in salary	5.50% p.a.	5.50 % p.a.
Mortality rate (inclusive of provision of disability)	100% IALM (2006-08)	100% IALM (2006-08)
Expected average remaining working lives of employees (years)	**23.89**	**24.40**

The assumptions of discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of liabilities. Future salary increase rate takes into account the inflation, seniority, promotion and other relevant factors on long term basis. Same assumptions were considered for comparative period i.e. 2016-17 as reported.

VI. Sensitivity analysis for gratuity liability

(₹ Crores)

Particulars	Changes in Assumption	Year ended 31 March 2018	Year ended 31 March 2017
Discount rate-Loss/ (gain)	+0.5%	(0.47)	(0.39)
	0.5%	0.51	0.43
Salary growth rate- Loss/ (gain)	+0.5%	0.52	0.44
	0.5%	(0.48)	(0.40)

Sensitivity due to mortality and withdrawals are not material and hence impact of change in assumptions therefore is not calculated.

The above sensitivity analysis is based on a change in an assumption while holding all other assumption constant. In practice , this in unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions, the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised with in the Balance Sheet.

VII. Estimate of expected benefit payments (in absolute terms i.e. undiscounted)

(₹ Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
With in next 12 months	0.20	0.24
Between 1-5 years	0.77	0.50
Beyond 5 years	7.05	5.61

The Company expects to contribute ₹ 1.34 crores (previous year ₹ 1.58 crores) to its gratuity plan for the next year.

36. On 28 July 2010, the Company granted 3,577,500 stock options to eligible employees of the Company, its subsidiaries including non-executive directors (excluding Nominee Directors), as per Employees Stock Option Scheme, 2010 (ESOP 2010). The exercise price of stock options is **₹ 75 per share** which would gradually vest over a maximum period of 4 years from the date of grant based on specified criteria, as may be decided by the Compensations Committee.

Salient features of the grants are as under:

Particulars	**Grant I (granted on 28 July 2010)**
Vesting Schedule	Options will vest from the date of grant based on the performance conditions mentioned below in the following ratio:

Vesting Schedule	On 28 July 2011	On 28 July 2012	On 28 July 2013	On 28 July 2014
Eligibility*	0%	30%	30%	40%
*Maximum percentage of options that can vest				

Performance Conditions	Performance Matrix	
	Performance rating attained**	Percentage of options that would vest
	A+	100%
	A	75%
	B	50%
	**Based on achievement of the annual targets set by the management at the beginning of the year.	
Exercise period	Not more than 3 Years from the date of vesting.	

Pursuant to 1st Vesting @ 30% of ESOP outstanding on 28 july 2012, 534,771 ESOPs were vested to eligible employees based on performance rating and 150,000 fresh ESOPs were granted to the employees of the company on 28 July 2012. Pursuant to 2nd vesting @30% of ESOP outstanding on 28 July 2013, 426,024 ESOPs were vested to eligible employees based on performance rating. Pursuant to 3rd Vesting @ 40% of ESOP outstanding on 28 July 2014, 560,625 ESOPs were vested to eligible employees based on performance rating including employees transferred pursuant to the Scheme.

In terms of the Composite Scheme of Arrangement between the Company and others, as approved by the Hon'ble High Court of Punjab and Haryana, the employees engaged in Demerged Undertakings, Business Undertakings 1,2 and 3 who were transferred as a part of the Scheme to Resulting Company i.e JSHL or Transferee Company 2 i.e. JUSL or Transferee Company 3 i.e. JCL, shall continue to remain entitled to exercise their rights to the stock options granted and vested but have not been exercised as on the Record Date. Further the stock options granted by the company to such employees which have been granted but have not vested as of the Effective Date 1 or effective Date 2 (as defined in the Scheme), as the case may be, shall lapse automatically without any further act on the part of the Company. Furthermore, the exercise price of the stock options, in respect of the employees engaged in the Demerged Undertakings and transferred to the Resulting Company i.e. JSHL shall be reduced in the same proportion as the assets of the Demerged Undertakings bear to the total assets of the Company immediately prior to the Appointed Date 1.

Set out below is a summary of options granted under the plan:

Particulars	31 March 2018	31 March 2017
Opening Balance	422,875	833,581
Exercised during the year	-	-
Granted during the year	-	-
Lapsed during the year	422,875	410,706
Closing Balance	-	422,875

37. Leases

Finance lease as a lessee

The Company has taken land parcels on finance lease for periods of 83-90 years. A reconciliation between the total of future minimum lease payments and their present value is given below:

(₹ Crores)

Particulars	Due as on 31 March 2018 and Payable			
	Within one Year	After one year but not more than five years	After more than five years	Total
Minimum Lease payments	0.60	2.39	39.36	42.34
Finance charges	0.60	2.38	33.72	36.69
Net present values	**0.00**	**0.01**	**5.64**	**5.65**

(₹ Crores)

Particulars	Due as on 31 March 2017 and Payable			
	Within one Year	After one year but not more than five years	After more than five years	Total
Minimum Lease payments	0.60	2.39	39.95	42.94
Finance Charges	0.60	2.38	34.31	37.29
Net Present Values	**0.00**	**0.01**	**5.64**	**5.65**

Operating lease as a lessor

The Company has entered into sub-lease agreement for certain land with lease term of 30 years. The lease term can be extended with mutual consent of the Company and the lessor. Minimum lease payments receivable under the operating lease is as below:

(₹ Crores)

Particulars	31 March 2018	31 March 2017
Within one year	0.18	0.18
After one year but not more than five years	0.72	0.72
More than five years	4.34	4.52
Total	**5.24**	**5.42**

Operating lease as a lessee

The agreement for warehouses is on non- cancellable basis for a period of 3-5 years. Future minimum rentals payable under non-cancellable operating leases are as follows:

(₹ Crores)

Particulars	31 March 2018	31 March 2017
Within one year	0.84	1.01
After one year but not more than five years	0.63	1.47
More than five years	-	-
Total	**1.47**	**2.48**

38. Segment information

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 4 of Ind AS 108 "Operating Segments", no disclosures related to segments are presented in these financial statements.

39. Earnings per share (EPS)

(₹ Crores)

Particulars	Year ended 31 March 2018		Year ended 31 March 2017	
	No. of shares	*Amount*	*No. of shares*	*Amount*
Profit for the year (₹ crores) and weighted average number of equity shares outstanding during the year	451,123,249	318.27	356,591,834	58.34
Basic EPS (in ₹)		**7.06**		**1.63**
Effect of dilution (amount in ₹ crores and corresponding weighted average number of potential equity shares):				
Compulsorily convertible warrants	18,971,377	-	**-**	**-**
Interest on OCRPS issued towards conversion of FITL I and II (Refer note 30)	121,308,212	32.91	-	-
Interest on FITL, I and II prior to conversion	30,649,459	9.72	-	-
Profit for the year (₹ crores) and weighted average no. of equity shares outstanding during the year after the effect of dilution	622,052,297	360.90	356,591,834	58.34
Diluted EPS (in ₹) *		**5.80**		**1.63**

*228,882,940 potential equity shares outstanding during the year ended 31 March 2017 were not included in the calculation of diluted EPS because they were anti-dilutive.

40. Disclosure as per clause 34 (3), clause 53 (f) and Schedule V of the Securities and Exchange of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Loans to Subsidiaries:

(₹ Crores)

Name of Company	Amount outstanding as on 31 March 2018	Maximum balance outstanding during the year ended 31 March 2018	Amount outstanding as at 31 March 2017	Maximum balance outstanding during the year ended 31 March 2017
PT Jindal Stainless Indonesia	16.29	16.29	16.21	16.21

41. Related party disclosures

1. Relationships

a) Key management personnel (KMP)

S.No	Name	Designation
1	Mr. Ratan Jindal	Chairman and Managing Director
2	Mr. Abhyuday Jindal	Vice Chairman (Appointed w.e.f. 9 August 2017)
3	Mr. S. Bhattacharya	Whole Time Director
4	Mr. Sunil Yadav	Company Secretary (Appointed w.e.f. 28 September 2017)
5	Mr. Raajesh Kumar Gupta	Company Secretary (Ceased to be Company Secretary w.e.f. 31 March 2017)
6	Mr. Ashish Gupta	Chief Financial Officer (Ceased to be Chief Financial Officer w.e.f. 6 February 2017)
7	Mr. Anurag Mantri	Chief Financial Officer (Appointed w.e.f. 7 February2017)
8	Mr. Gautam Kanjilal	Nominee Director
9	Mr. Suman Jyoti Khaitan	Independent Director
10	Mr. T.S Bhattacharya	Independent Director
11	Ms. Ishani Chattopadhyay	Independent Director (Ceased to be Director w.e.f. 9 May 2017)
12	Mr. Girish Sharma	Independent Director (Ceased to be Director w.e.f. 26 April 2016)
13	Ms. Bhaswati Mukherjee	Independent Director (Appointed w.e.f. 15 July 2017)
14	Mr. K.J. S Thind	Independent Director (Appointed w.e.f 11 May 2017, ceased to be Director w.e.f. 26 September 2017)
15	Dr. Rajeev Uberoi	Independent Director (Appointed w.e.f. 9 February 2018)

b) Subsidlary

S.No	Name of the entity	Principal place of operation/ country of incorporation	Principal activities/ nature of business	%Shareholding/ Voting power	
				As at 31March 2018	As at 31March 2017
1	PT. Jindal Stainless Indonesia	Indonesia	Stainless Steel manufacturing	99.99%	99.99%
2	Jindal Stainless UK Limited	UK	Stainless Steel manufacturing	100%	100%
3	Jindal Stainless FZE, Dubai	UAE	Stainless Steel manufacturing	100%	100%
4	JSL, Group Holding Pte Ltd, Singapore	Singapore	Stainless Steel manufacturing	100%	100%
5	Iberjindal S.L, Spain	South Spain	Stainless Steel manufacturing	65%	65%

c) Associates

S.No	Name of the entity	Principal place of operation/ country of incorporation	Principal activities/ nature of business	%Shareholding/ Voting power	
				As at 31March 2018	As at 31March 2017
1	Jindal Stainless Corporate Management Service Private Limited	India	Management services	50%	50%
2	Jindal United Steel Limited	India	Stainless Steel manufacturing	26%	26%
3	Jindal Coke Limited	India	Coke Manufacturing	26%	26%

d) Entity exercising significant influence on the Company

S.No	Name of the entity	Principal place of operation/ country of incorporation	Principal activities/ nature of business
1	Jindal Stainless (Hisar) Limited (JSHL)	India	Stainless Steel manufacturing

e) Subsidiaries of entity exercising significant influence on the Company

S.No	Name of the entity	Principal place of operation/ country of incorporation	Principal activities/ nature of business
1	JSL Lifestyle Limited	India	Stainless Steel Consumer Products
2	JSL Logistics Limited	India	Logistic
3	Jindal Stainless Steelways Limited	India	Stainless Steel manufacturing
4	J.S.S Steelitalia Limited	India	Stainless Steel manufacturing

f) Post –employment benefit plan for the benefit of employees of the Company

S.No	Name of the entity	Principal place of operation/ country of incorporation	Principal activities/ nature of business
1	Jindal Stainless Limited Group Gratutiy Fund	India	Company's employee gratuity trust

II Transactions with related Parties during the year and balance as the balance sheet date

S. No	Particulars	Year ended and as at 31 March 2018					Year ended and as at 31 March 2017					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Subsidiaries	Joint Venture	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP
Transactions during the year												
1	**Purchase of goods**		**181.45**	**854.78**	**2.62**				**156.79**	**259.55**	**0.52**	
	Jindal Stainless Steelways Limited				1.56						0.51	
	Jindal Coke Limited		175.67						156.79			
	Jindal Stainless (Hisar) Limited			854.78						259.55		
	JSL Lifestyle Limited				1.06						0.01	
	Jindal United Steel Limited		5.78									
2	**Job work charges paid**		**545.73**	**0.21**	**49.60**				**474.34**	**9.20**	**26.90**	
	Jindal Stainless (Hisar) Limited			0.21						9.20		
	Jindal Stainless Steelways Limited				49.60						26.90	
	Jindal United Steel Limited		545.73						474.34			
3	**Job work charges received**			**43.16**						**77.07**	**0.66**	
	Jindal Stainless (Hisar) Limited			43.16						77.07		
	Jindal Stainless Steelways Limited										0.66	
4	**Sale of Goods**	**590.17**	**695.68**	**1,169.36**	**1,052.42**		**361.29**		**103.40**	**545.00**	**581.25**	
	PT. Jindal Stainless Indonesia	422.22					266.84					
	Iberjindal S.L,	167.95					94.45					
	Jindal Stainless Steelways Limited				1,037.89						566.05	
	Jindal Stainless (Hisar) Limited			1,169.36						545.00		
	JSL Lifestyle Limited				2.28						1.95	
	Jindal Coke Limited		431.44						16.47			
	Jindal United Steel Limited		264.24						86.93			
	J.S.S Steelitalia Limited				12.25						13.25	
5	**Sale of fixed assets**		**0.05**									
	Jindal Stainless Corporate Management Service Private Limited		0.05									
6	**Business support services**				**8.49**						**4.74**	
	Jindal Stainless Steelways Limited				8.49						4.74	

S. No	Particulars	Year ended and as at 31 March 2018					Year ended and as at 31 March 2017					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Subsidiaries	Joint Venture	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP
7	**Quality claim paid**	**2.51**		**0.29**	**0.73**		**25.15**					
	PT. Jindal Stainless Indonesia	2.51					25.07					
	Iberjindal S.L,						0.08					
	Jindal Stainless Steelways Limited				0.73							
	Jindal Stainless (Hisar) Limited			0.29								
8	**Rent received**		**0.96**	**0.58**					**0.94**	**0.50**		
	Jindal Stainless (Hisar) Limited			0.58						0.50		
	Jindal Stainless Corporate Management Service Private Limited		0.96						0.94			
9	**Rent paid**			**0.53**	**0.60**					**0.52**	**0.37**	
	Jindal Stainless (Hisar) Limited			0.53						0.52		
	Jindal Stainless Steelways Limited				0.60						0.36	
	JSL Lifestyle Limited										0.01	
10	**Freight charges paid**				**0.97**						**0.24**	
	JSL Logistics Limited				0.97						0.24	
11	**Interset received**	**0.52**			**0.57**		**0.45**		**236.74**		**0.80**	
	PT. Jindal Stainless Indonesia	0.52					0.45					
	J.S.S Steelitalia Limited										0.10	
	Jindal Stainless Steelways Limited				0.57						0.70	
	Jindal Coke Limited								23.63			
	Jindal United Steel Limited								213.11			
12	**Interset paid**			**103.90**						**43.70**		
	Jindal Stainless (Hisar) Limited			103.90						43.70		
13	**Commission on sale paid**	**15.82**					**17.28**					
	Jindal Stainless FZE,	15.82					16.80					
	Jindal Stainless UK Limited						0.48					
14	**Support Service charges paid**		**42.11**						**33.03**			
	Jindal Stainless Corporate Management Service private limiteed		42.11						33.03			

S. No	Particulars	Year ended and as at 31 March 2018					Year ended and as at 31 March 2017					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Subsidiaries	Joint Venture	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP
15	**Support Service Charges Received**		**44.82**									
	Jindal Coke Limited		8.87									
	Jindal United Steel Limited		35.95									
16	Consultancy Charges paid						0.11					
	PT. Jindal Stainless Indonesia						0.11					
17	**Expenses incurred on behalf of Company and reimbursed**				**0.04**		**3.27**		**0.32**	**0.42**	**0.22**	
	PT. Jindal Stainless Indonesia						3.27					
	Jindal Stainless Corporate Management Service private limiteed								0.32			
	Jindal Stainless Steelways Limited										0.22	
	Jindal Stainless (Hisar) Limited				0.04					0.42		
18	**Expenses incurred by Company on behalf of**	**1.40**	**27.98**	**10.67**	**1.09**		**0.49**		**21.39**	**2.12**	**1.48**	
	PT. Jindal Stainless Indonesia						0.49					
	Iberjindal S.L,	1.40										
	Jindal Coke Limited		5.48						4.44			
	JSL Lifestyle Limited				0.28						0.22	
	Jindal United Steel Limited		22.50						16.95			
	Jindal Stainless Steelways Limited				0.18						0.28	
	JSL Logistics Limited				0.63						0.98	
	Jindal Stainless (Hisar) Limited			10.67						2.12		
19	**Remuneration**					**4.27**						**3.46**
	Mr. S. Bhattacharya					2.07						1.76
	Mr. Raajesh Kumar Gupta											0.46
	Mr. Sunil Yadav					0.17						
	Mr. Ashish Gupta											0.65
	Mr.Anurag Mantri					2.03						0.22
	Mr . Suresh Kumar Agarwal											0.37

S. No	Particulars	Year ended and as at 31 March 2018					Year ended and as at 31 March 2017					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Subsidiaries	Joint Venture	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP
20	**Non-executive director Sitting fee**					**0.19**						**0.10**
	Mr. Gautam Kanjilal					0.04						0.03
	Mr. Suman Jyoti Khaitan					0.04						0.04
	Mr. T.S Bhattacharya					0.04						0.02
	Mr. K.J. S Thind					0.01						
	Ms. Bhaswati Mukherjee					0.03						
	Mr. Abhyuday Jindal					0.02						
	Dr. Rajeev Uberoi					0.1						
	Ms. Ishani Chattopadhyay											0.01
21	**Loans and advances taken**									**292.34**		
	Jindal Stainless (Hisar) Limited									**292.34**		
22	**Security deposits received**		**254.64**						**125.00**			
	Jindal Coke Limited		50.00						125.00			
	Jindal United Steel Limited		204.64									
23	**Investments made (pursuant to Scheme of Arrangemient)**								**380.32**			
	Eqtity Shares comerted form0.01% non-Cumulative compulsorily Conrertible preference Shares in terms of composite Scheme of Arrangement (Refer note 26)											
	Jindal Coke Limited								8.38			
	Jindal United Steel Limited								43.87			
	0.01% non-Cumulative compulsorily Convertible preference Shares in terms of composite Scheme of Arrangement (Refer note 26)											
	Jindal Coke Limited								17.62			
	Jindal United Steel Limited								131.13			

S. No	Particulars	Year ended and as at 31 March 2018					Year ended and as at 31 March 2017					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Subsidiaries	Joint Venture	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP
	10% non-Cumulative Non Conrertible Redeemablt preference Shares in terms of composite Scheme of Arrangement (Refer note 26)											
	Jindal Coke Limited								91.65			
	Jindal United Steel Limited								87.67			
Balances outstanding as at balance sheet date												
24	**Letter of comfort**						**51.73**					
	PT. Jindal Stainless Indonesia						51.73					
25	**Corporate Guarantee given**			**2,798.36**						**3,392.78**		
	Jindal Stainless (Hisar) Limited			2,798.36						3,392.78		
26	**Personal guarantee received**											
	Mr. Ratan JIndal					Refer note 13 and 17						
27	**Loans and advances -Receivables**	**16.29**					**20.43**					
	PT. Jindal Stainless Indonesia	16.29					20.42					
	Jindal Stainless UK Limited						0.01					
28	**Borrowings (Inter Corporate Deposits**			**900.00**						**485.00**		
	Jindal Stainless (Hisar) Limited			900.00						485.00		
29	**Receivables**	**203.42**	**8.99**		**64.21**		**110.19**	**0.58**	**86.64**		**92.35**	
	PT. Jindal Stainless Indonesia	139.99					85.77					
	Iber jindal S.L,	63.43					24.42					
	JSL Lifestyle Limited										3.51	
	Amount Reccoverable under Scheme-Jindal United Steel Limited								66.79			
	Jindal United Steel Limited*		5.97						19.81			
	Jindal Stainless Corporate Management Service Private Limited		3.02						0.04			
	Jindal Stainless Steelways Limited				46.21						78.89	
	J.S.S Steelitalia Limited				18.00						9.95	
	MJSJ Coal Limited							0.58				

S. No	Particulars	Year ended and as at 31 March 2018					Year ended and as at 31 March 2017					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Subsidiaries	Joint Venture	Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP
30	**Security Deposit Payable**		**379.64**									
	Jindal Coke Limited		175.00									
	Jindal United Steel Limited (Reccoverable under Scheme)		204.64									
31	Payable	26.96	43.71	171.41	0.99		21.87		159.83	374.09	11.63	
	Jindal Stainless FZE	26.96					20.50					
	Jindal Stainless UK Limited						1.37					
	Jindal Coke Limited		43.71						159.76			
	Jindal Stainless Steelways Limited				0.22						11.51	
	Jindal Stainless Corporate Management Service Private Limited								0.07			
	JSL Logistics Limited				0.07						0.12	
	Jindal Stainless (Hisar) Limited			171.41						374.09		
	JSL Lifestyle Limited				0.70							

*Post section III and section IV of the Assets Monetization Cum Business Reorganization Plan (Scheme) becoming effective, as per the Scheme the Company has operated the business on behalf of Jindal coke Limited ("JCL") and Jindal United steel Limited ("JUSL") upto 31 July 2017, in Trust in so far as may be necessary until all rights, licenses/ permits stand fully devolved to and in favor of the resulting companies (JCL and JUSL). Accordingly, the expenses in this regard for the period upto 31 july 2017 have been excluded form the above disclosure and the transactions entered undertaken on behalf of such companies are recognized in Company balances.

42.

(₹ Crores)

		For the year ended 31 March 2018	For the year ended 31 March 2017
A.	**Payments to statutory auditors**		
	As auditor (statutory audit and tax audit fee)	0.36	0.33
	For company law matters	0.06	0.17
	For other services	0.02	0.13
	For reimbursement of expenses	0.04	0.01
		0.48	0.64
B.	**Payments to cost auditors**		
	Audit fee	0.02	0.04
C.	**Remuneration paid to KMP is as below:**		
	Short- term employee benefit*	4.14	3.35
	Post employment benefits**	0.13	0.11
	Other Long-term benefits**	-	-
	Sitting fees	0.19	0.10
		4.46	3.56

*The company had filed requisite applications for obtaining the approval of the Central Government for payment of managerial remuneration to a director, the said application is in process; remuneration paid to such director is ₹ 5.33 crores for the period from 6 November 2015 to 31 March 2018 [(₹ 2.07 crores for the year ended 31 March 2018 (for the year ended 31 March 2017: ₹ 1.77 crores)]. Also, the Central Government has not approved the excess managerial remuneration paid amounting to ₹ 3.26 crores to erstwhile three directors, in earlier years, which is in process of recovery. The Company has recorded excess remuneration as recoverable in the books of account.

**Employee benefits expense on account of gratuity and compensated absences are estimated based on actuarial valuation for the company as a whole and hence cannot be identified separately for KMPs.

43. The company is listed on stock exchanges in India and has prepared consolidated financial statements as required under Ind-AS 110, *Consolidated Financial Statements*, Sections 129 of Companies Act, 2013 and listing requirements. The consolidated financial statements are available on company's web site.

44. **Income taxes**

The income tax expense consists of the following-

(₹ crores)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current tax		
Deferred tax		
Relating to origination and reversal of temporary differences	157.55	30.37
Deferred tax expense pertaining to prior periods	7.42	
Total tax expense	**164.97**	**30.37**

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:

(₹ crores)

Particular	For the year ended 31 March 2018	For the ended 31 March 2017
Profit before tax	483.24	88.71
Applicable tax rate for the Company	34.944%	34.608%
Expected income tax expense	168.86	30.70
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
(Income exempted from)/ Expenses not deductible in tax	(6.26)	0.32
Change in tax rates	(0.60)	-
Income taxable at different rate	(9.00)	-
Tax pertaining to prior years	7.42	-
others	4.55	(0.65)
Income tax expense	**164.97**	**30.37**

Components of net deferred tax assets and liabilities:
Significant components of net deferred tax assets and liabilities for the year ended 31 March 2018 are as follows:

(₹ crores)

Particulars	Opening balance-deferred tax asset/ (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / Credit recognized in other comprehensive income	Closing balance-deferred tax asset /(liability)
Property, plant and equipment and intangible assets	(1,150.97)	(38.70)	-	(1,189.67)
Brought forward tax losses and unabsorbed depreciation	868.81	(54.66)	-	814.15
Items deductible on actual payment or settlement	343.64	(71.61)	0.30	272.33
MAT credit entitlement	57.67	-	-	57.67
Net deferred tax assets/(liability)	**119.15**	**(164.97)**	**0.30**	**(45.52)**

Significant components of net deferred tax assets and liabilities for the year ended 31 March are as follows:

(₹crores)

Particulars	Opening balance-deferred tax assets/ (liability)	Income tax (expense)/ credit recognized in profit or loss	Income tax (expense) / Credit recognized in other comprehensive income	Closing balance-deferred tax assets / (liability)
Property, plant and equipment and intangible assets	(1,140.35)	(10.62)	-	(1,150.97)
Brought forward tax losses and unabsorbed depreciation	865.40	3.41	-	868.81
Items deductible on actual payment or settlement	366.94	(23.16)	(0.14)	343.64
MAT credit entitlement	57.67			57.67
Net deferred tax assets/(liability)	**149.66**	**(30.37)**	**(0.14)**	**119.15**

45. Financial instruments

A. Financial assets and liabilities

The carrying amounts and fair values of financial instruments by category are as follows:

(₹ crores)

Particulars	Note	As at 31 March 2018	As at 31 March 2017
Financial assets measured at amortized cost:			
Investments	3	30.29	26.83
Loans	4	51.54	46.76
Other financial assets	5	12.38	117.29
Trade receivables	9	828.29	805.01
Cash and cash equivalents	10	20.52	35.24
Other bank balances	10A	16.08	5.82
Financial assets measured at fair value through profit or loss:			
Investments	3	0.47	0.48
Other financial assets	5	10.10	-
Financial assets measured at fair value through other comprehensive income:			
Investments	3	8.57	-
Total financial assets		**978.25**	**1,037.44**
Financial liabilities measured at amortised cost:			
Borrowings	13 and 17	4,316.44	5,120.12
Other financial liabilities (including current maturities of long –term borrowings)	14	916.69	1,242.05
Trade payables	18	1,940.23	1,643.59
Financial liabilities measured at fair value through profit or loss:			
Derivative liabilities	14	12.06	-
Total financial assets		**7,185.42**	**8,005.76**

Investment in subsidiaries, joint ventures and associates are measured at cost as per Ind AS 27, *Separate financial statements* and hence, not presented here.

B. Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;
Level 2: Directly (i.e as prices) or indirectly (i.e derived from prices) observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B.1 Financial assets and liabilities measured at fair value –recurring fair value measurements

(₹ crores)

Particulars	Level	As at 31 March 2018	As at 31 March 2017
Financial assets measured at fair value through profit or loss:			
Investments (in quoted equity shares)	1	0.47	0.48
Derivative assets	2	10.10	-
Financial assets measured at fair value through other comprehensive income:			
Investments (in unquoted equity shares)	3	8.57	-
Financial liabilities measured at fair value through profit or loss:			
Derivative liabilities	2	12.06	-

Valuation process and technique used to determine fair value

i) **Investments:** The fair values of investments in quoted equity shares are based on the current bid price of respective investments as at the balance sheet date. Fair values of investments in unquoted equity shares is estimated at their respective costs since those companies do not have any significant operations and there has neither been any significant change in their performance since initial recognition nor there is any expectation of such changes in foreseeable future.

ii) **Derivative assets and liabilities:** The Company enters into forward contracts with banks for hedging foreign currency risk of its borrowings and receivables and payables arising from import and export of goods. Fair values of such forward contracts are determined based on **spot** current exchange rates and forward foreign currency exchange premiums on similar contracts for the remaining maturity on the balance sheet date.

B.2 Fair value of financial instruments measured at amortised cost

Fair value of financial instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using level 3 inputs:

(₹ crores)

Particulars	As at 31 March 2018		As at 31 March 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Non current investments	30.29	27.60	26.34	26.34
Loans	51.54	52.20	46.76	46.76
Other non current financial liabilities	50.73	54.94	14.41	14.41

The management assessed that fair values of current investments, other financial assets, trade receivables, cash and cash equivalents, other bank balances, trade payables and other current financial liabilities measured at amortised cost in the financial statements approximate their respective carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

i. Non-current investments, long term loans and non-current financial liabilities are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the counterparty/Company and other market risk factors.

ii. The fair values of the Company's fixed interest- bearing liabilities, loans and receivables are determined by applying discounted cash follows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non performance risk as at 31 March 2018 was assessed to be insignificant.

iii. All long term borrowings facilities availed by the Company are variable rate facilities and are subject to changes in underlying interest rate indicates/the credit spread due to changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

C. Financial risk management

C.1 Credit risk

Credit risk is the risk that a counterparty may not be able to settle its agreed obligations under a financial instrument or customer contract, leading to a financial loss. It arises from credit exposure to investments in redeemable preferences shares, loans, trade receivables, cash and cash equivalents including deposits with banks, derivative financial instruments and other financial assets.

a) Credit risk management practices

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

i) Low credit risk on financial reporting date

ii) Moderate credit risk

iii) High credit risk

The Company provides for expected credit loss based on the following:

Assets Group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Investments in redeemable preference shares, loans, trade receivables, cash and cash equivalents including deposits with banks, derivative financial instruments and other financial assets.	12 Month expected credit loss
Moderate credit risk	Trade receivables	Life time expected credit loss or 12 month expected credit loss
High Credit risk	Trade receivables	Life time expected credit loss

Based on business environment in which the Company operates, a default on a financial asset is considered when the counterparty fails to make payments after lapse of a time period, usually not exceeding 3 years from the agreed time period as per contract, as this reflects the historical experience of the Company with respects to the period over which substantially all of the collectible financial assets are settled. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company or debtor declaring bankruptcy or a litigation decided against the company. The company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

Trade receivables

Trade receivables are generally unsecured and non- interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored and a significant element of credit risk is covered by credit insurance.

The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring group. The Company has also taken advances and security deposits from its customers which mitigate the credit risk to an extent.

In respect of trade receivables, the company recognizes a provision for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Company.

Other financial assets

- Cash and cash equivalents including, deposits with banks and Derivative financial instruments are considered to have low credit risk since the contracts are with reputable financial institutions most of which have an "Investment grade" credit rating.

- Investments in redeemable preference shares of associates companies, loans (Comprising security deposits and loan to subsidiary) and other financial assets are considered to have low credit risk since there is a low risk of default by the counterparties owing to their strong capacity to meet contractual cash flow obligations in near term.

b) Allowance for expected credit losses

As at 31 March 2018 and 31 March 2017, the company considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no defaults events are considered to be possible with in the 12 Months after the reporting date.

In respect of trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Trade receivables as at 31 March 2018. **(₹ Crores)**

Particulars	Neither due nor impaired	Past due			Total
		Upto 6 Months	6 to 12 Months	Above 12 Months	
Secured	-	-	-	-	-
Unsecured	644.36	57.86	20.00	115.06	837.28
Gross Total	**644.36**	**57.86**	**20.00**	**115.06**	**837.28**
Provision for doubtful receivables	-	-	(8.99)	-	(8.99)
Net Total	**644.36**	**57.86**	**11.01**	**115.06**	**828.29**

Trade receivables as at 31 March 2017. **(₹ Crores)**

Particulars	Neither due nor impaired	Past due			Total
		Upto 6 Months	6 to 12 Months	Above 12 Months	
Secured	-	-	-	-	-
Unsecured	509.81	178.88	31.40	96.06	816.15
Gross Total	**509.81**	**178.88**	**31.40**	**96.06**	**816.15**
Provision for doubtful receivables	-	-	-	(11.14)	(11.14)
Net Total	**509.81**	**178.88**	**31.40**	**84.92**	**805.01**

The reconciliation of loss allowance provision from beginning to end of reporting period is given below:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Loss allowances as at the beginning of the year	11.14	5.99
Changes in loss allowance	(2.15)	5.15
Loss allowance as at the end of the year	8.99	11.14

C.2 Liquidity risk

Liquidity risk is the risk that Company could experience difficulties in meeting its existing or future obligations due to insufficient availability of cash & cash equivalents or other financial assets. Managing liquidity risk, is one of the central risk of the Company. In order to be able to ensure the Group's solvency and financial flexibility at all times, long term credit limits and cash and cash equivalents are reserved on the basis of perennial financial planning and monthly rolling liquidity planning.

The Company manages its liquidity risk by using reasonable and retrospectively assessed assumptions to forecast the future cash generative capabilities and working capital requirements of the businesses it operates and by maintaining committed borrowing facilities and other credit lines as appropriate.

a) Unused lines of credit

The Company has following unused lines of credit as on 31 March 2018 and 31 March 2017.

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Secured*	905.93	52.64
Unsecured	-	
Total	**905.93**	**52.64**

*Working capital facilities due for review every year.

b) Maturities of financial liabilities

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

(₹ Crores)

Particulars	As at 31 March 2018-Payable within				
	On Demand	Less than 6 Months	6 to 12 Months	More than 1 year	Total
Non-derivative financial liabilities					
Borrowings		474.86	703.08	3,550.90	4,728.84
Estimated future interest obligation	-	194.41	187.04	1,121.43	1,502.87
Other financial liabilities	21.59	154.52	277.45	50.73	504.29
Trade payables	328.06	401.35	1,210.82	-	1,940.23
Derivative financial liabilities					
Derivative liabilities		11.99	0.07	-	12.06
Total	**349.65**	**1,237.13**	**2,378.46**	**4,723.06**	**8,688.29**

(₹ Crores)

Particulars	As at 31 March 2017-Payable within				
	On Demand	Less than 6 Months	6 to 12 Months	More than 1 year	Total
Non-derivative financial liabilities					
Borrowings	2.07	1,870.65	373.41	3,381.99	5,628.12
Estimated future interest obligation		158.71	151.69	1,106.56	1,416.95
Other financial liabilities	6.61	609.60	103.44	14.41	734.06
Trade payables	115.16	279.70	1,248.73	-	1,643.59
Total	**123.84**	**2,918.66**	**1,877.27**	**4,502.96**	**9,422.73**

C.3. Market Risk

a) Foreign Currency risk

The Company is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognised financial assets and liabilities (monetary items). 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. Foreign Currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Nature	As at 31 March 2018		As at 31 March 2017	
	Foreign Currency (million)	Amount (₹ Crores)	Foreign Currency (million)	Amount (₹ Crores)
Loans and other financial assets				
USD	3.29	21.43	4.36	28.25
EURO	-	-	0.42	2.93
JPY	-	-	0.07	-*
CHF	-	-	-*	0.04
GBP	-	-	-*	0.02
Trade Receivables				
USD	-	-	14.25	92.40
Borrowings				
USD	109.69	714.83	175.38	1,137.42
Trade Payables				
USD	22.14	144.33	66.08	428.53
EURO	6.35	50.97	4.24	29.27
GBP	0.01	0.08	-	-
JPY	0.46	0.03	-	-
CHF	0.01	0.09	-	-
AED	-	-	0.02	0.02
CNY	0.01	0.01	-	-

*Rounding off

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Company's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures. Reasonably possible Changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near term future volatility.

The Impact on the Company's profit before tax due to changes in the foreign currency exchange rates are given below:

(₹ crores)

Currency	Change in currency exchange rate (holding other variables constant)	Effect on profit before tax due for the year ended 31 March 2018	Effect on profit before tax due for the year ended 31 March 2017
USD	+ /-4.07%	(35.86)	(72.26)
		35.86	72.26
GBP	+ /-8.70%	(0.01)	-*
		0.01	-*
EURO	+ /-6.89%	(3.51)	(4.07)
		3.51	4.07
JPY	+ /-7.92%	-*	-*
		-*	-*
CHF	+ /-7.65%	-*	-*
		-*	-*
CNY	+ /-4.69%	(0.01)	-*
		0.01	-*

*Rounding off

b) Interest rate risk

i. Financial liabilities

The company is exposed to interest rate risk due to variable rate borrowings. Below is the overall exposure of the Company to interest rate risk:

(₹ crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Variable rate borrowings	4,728.83	5,628.12

Below is the sensitivity of profit or loss to changes in interest rates. Reasonably possible changes in interest rates have been applied to net variable rate exposure, denominated by currency, in order to provide an indication of the possible impact on the Company's statement of profit and loss. The assumed movement in interest rates for sensitivity analysis is based on the currently observable market conditions.

(₹ crores)

Currency	Change in currency interest rates (holding other variables constant)	Effect on profit before tax due for the year ended 31 March 2018	Effect on profit before tax due for the year ended 31 March 2017
INR Borrowings	+50 bps	(17.27)	(15.87)
	-50 bps	17.27	15.87
USD Borrowings	+50 bps	(6.37)	(9.84)
	-50bps	6.37	9.84

ii. Financial assets

The Company's investments in redeemable preference shares of its associate companies and government securities, loan to a related party and deposits with banks are carried at amortised cost and are fixed rate deposits. They are, Therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

c) Price risk

The Company has investment in equity shares of unrelated companies which are carried at fair value. The Company doesn't expect a significant impact on its profit or loss for the year and equity as at balance sheet date due to reasonably possible changes in prices of such financial instruments.

46. Capital Management

The Company's objectives when managing capital are to secure its ongoing financial needs to continue as a going concern as well as to cater to its growth targets, in order to provide returns to shareholders and benefits for other stakeholders and to maintain a cost efficient and risk optimized capital structure. The company manages the capital structure and makes adjustments to it in light of changes in economic condition, its business activities, the investment and expansion program and the risk characteristics of the underlying assets.

In order to maintain or adjust the capital structure, The Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, increase debt or sell assets to reduce debt.

The Company monitors capital, among others, on the basis of its gearing ratio and the ratio of net debt to its Earnings Before Interest, Depreciation and Amortization (EBITDA).

The gearing ratio as at the balance sheet date and ratio of net debt to EBITDA are as follows:

Particulars	As at 31 March 2018	As at 31 March 2017
Borrowings	4,728.84	5,628.12
Less: cash and cash equivalents	20.52	35.24
Net debt	4,708.32	5,592.88
Total equity*	2,351.62	1,741.21
Equity and net debt	**7,059.94**	**7,334.09**
Gearing ratio	**67%**	**77%**
Profit before exceptional items and tax	481.87	62.58
Other Income	(45.41)	(25.55)
Depriciation and amortisation expenses	303.84	307.98
Finance costs	540.63	761.69
EBITDA	**1,280.93**	**1,106.70**
Ratio of net debt to EBITDA	**3.68**	**5.05**

*Including fair valuation of property, plant and equipment of ₹ 1,826.49 crores.

As per loan covenants, the company is required to comply with requirement relating to certain financial ratio (including total debt to EBITDA/ net worth, EBITDA to gross interest, debt service coverage ratio and fixed assets coverage ratio). During the year ended 31 March 2018 and 31 March 2017, the Company has complied with the financial ratios as per loan covenants.

This is the summary of the significant accounting policies and other explanatory information referred to to in our report of even date.

For Walker Chandiok & Co LLP Chartered Accountants FRN 001076N/N500013	**Ratan Jindal** Chairman and Managing Director DIN: 00054026	**S. Bhattacharya** Whole Time Director DIN: 03050155
Siddharth Talwar Partner Membership No. - 512752	**Anurag Mantri** Chief Financial Officer	**Navneet Raghuvanshi** Company Secretary

Place: New Delhi
Date : 25-Apr-18

Independent Auditor's Report

To the Members of Jindal Stainless Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Jindal Stainless Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates, which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement 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.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. The Holding Company's Board of Directors and the respective Board of Directors/management of the subsidiaries included in the Group, and its associates are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms of the provisions of the Act, the respective Board of Directors/management of the Holding Company, and its associate companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

4. 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.

5. 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 these consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 financial statements.

7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group and its associates at 31 March 2018, and their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matters

9. We did not audit the financial statements of 5 (five) subsidiaries, whose financial statements reflect total assets of ₹ 977.14 crores and net assets of ₹ 186.75 crores as at 31 March 2018, total revenues of ₹ 1,519.97 crores and net cash inflows amounting to ₹ 14.78 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 31.68 crores for the year ended 31 March 2018, as considered in the consolidated financial statements, in respect of 3 (three) associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

Further, all of the subsidiaries are located outside India and their financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

10. The comparative consolidated financial information for the year ended 31 March 2017 prepared in accordance with Ind AS included in the consolidated financial statements have been audited by the predecessor auditor. The report of the predecessor auditor dated 12 May 2017 on the comparative consolidated financial information expressed an unmodified opinion on the financial information for the year ended 31 March 2017. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and associates, 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 purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its associate companies, none of

the directors of the Holding Company and its associate companies, are 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 Holding Company, and its associate companies and the operating effectiveness of such controls, refer to our separate report in 'Annexure I';

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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates:

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates as detailed in Note 27 to the consolidated financial statements.

(ii) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts,

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its associate companies;

(iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Siddharth Talwar
Partner
Membership No.: 512752

Place:New Delhi
Date: 25 April 2018

Annexure I to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited on the consolidated financial statements for the year ended 31 March 2018

Annexure I

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

1. In conjunction with our audit of the consolidated financial statements of Jindal Stainless Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company, and its associate companies, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, and its associate companies, which are companies covered under the Act, 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 ('the Guidance Note') 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 the Holding Company's business, including adherence to the Holding 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, and its associate companies as aforesaid, based on our audit. We conducted our audit in accordance with 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 Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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 IFCoFR of the Holding Company and its associate companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Annexure I to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited on the consolidated financial statements for the year ended 31 March 2018

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on IFCoFR of the associate companies, the Holding Company and its associate companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, based on the Internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 31.68 crores for the year ended 31 March 2018, in respect of 3 (three) associate companies, which are companies covered under the Act, whose IFCoFR have not been audited by us. The IFCoFR in so far as it relates to such associate companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company and its associate companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such associate companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Siddharth Talwar
Partner
Membership No.: 512752

Place: New Delhi
Date: 25 April 2018

Consolidated Balance Sheet as at 31 March 2018

(₹ crores)

		Note	As at 31 March 2018	As at 31 March 2017
	ASSETS			
1	**Non-current assets**			
	(a) Property, plant and equipment	**2**	6,323.16	6,587.33
	(b) Capital work-in-progress	**2**	143.75	29.73
	(c) Goodwill		0.12	0.12
	(d) Other intangible assets	**2A**	19.21	21.14
	(e) Investments accounted for using equity method		250.73	219.03
	(f) Financial assets			
	(i) Investments	**3**	187.62	183.68
	(ii) Loans	**4**	33.99	70.54
	(iii) Other financial assets	**5**	0.40	0.09
	(g) Deferred tax assets (net	**6**	-	112.28
	(h) Current tax assets (net)	**11**	37.34	-
	(i) Other non-current assets	**7**	64.40	28.72
2	**Current assets**			
	(a) Inventories	**8**	2,384.47	2,096.54
	(b) Financial assets			
	(i) Investments	**3**	0.47	0.97
	(ii) Trade receivables	**9**	906.81	889.52
	(iii) Cash and cash equivalents	**10**	46.90	45.59
	(iv) Bank balances other than (iii) above	**10A**	16.08	5.82
	(v) Loans	**4**	6.64	23.88
	(vi) Other financial assets	**5**	22.08	117.21
	(c) Current tax assets (net)	**11**	13.99	65.90
	(d) Other current assets	**7**	375.91	411.78
	Total assets		**10,834.07**	**10,909.87**
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity share capital	**12**	95.84	79.89
	(b) Other equity	**12A**	2,369.36	1,734.10
	(c) Non-controlling Interest		8.99	6.07
	LIABILITIES			
1	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	**13**	3,550.90	3,381.99
	(ii) Other financial liabilities	**14**	50.73	14.41
	(b) Provisions	**15**	12.31	13.42
	(c) Deferred tax liabilities (net)	**6**	58.95	-
	(d) Other non-current liabilities	**16**	349.35	111.70
2	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	**17**	1,051.51	1,997.75
	(ii) Trade payables	**18**	2,132.52	1,864.91
	(iii) Other financial liabilities	**14**	878.02	1,227.65
	(b) Other current liabilities	**16**	275.25	477.43
	(c) Provisions	**15**	0.34	0.55
	Total Equity and Liabilities		**10,834.07**	**10,909.87**
	Significant accounting policies	**1**		
	Notes to Standalone Financial Statements	**2-46**		

This is the Consolidated Balance Sheet referred to in our report of even date		
For Walker Chandiok & Co LLP Chartered Accountants FRN 001076N/N500013	**Ratan Jindal** Chairman and Managing Director DIN: 00054026	**S. Bhattacharya** Whole Time Director DIN: 03050155
Siddharth Talwar Partner Membership No.: 512752	**Anurag Mantri** Chief Financial Officer	**Navneet Raghuvanshi** Company Secretary
Place: New Delhi **Date :** 25 April, 2018		

Consolidated Statement of Profit and Loss for the year ended on 31 March 2018

(₹ crores)

	Particulars	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
	INCOME			
I	Revenue from operations	19	11,816.86	9,924.78
II	Other Income	20	45.08	25.69
III	**Total Income [I+II]**		**11,861.94**	**9,950.47**
IV	**EXPENSES**			
	Cost of materials consumed		6,647.17	5,792.62
	Purchases of stock–in-trade		713.33	146.72
	Changes in inventories of finished goods, work in progress and stock–in-trade	21	141.23	(205.50)
	Excise duty on sales		179.12	646.12
	Employee benefits expense	22	196.28	154.05
	Finance costs	23	566.06	787.88
	Depreciation and amortization expense	24	320.03	325.21
	Other expenses	25	2,599.39	2,225.18
	Total expenses (IV)		**11,362.61**	**9,872.28**
V	**Profit before exceptional items, share of net profit of investments accounted for using equity method and tax [III -IV]**		**499.33**	**78.19**
VI	Share of profit of investments accounted for using equity method		15.77	11.48
VII	**Profit before exceptional items and tax [V + VI]**		**515.10**	**89.67**
VIII	Exceptional items	29	4.44	25.84
IX	**Profit before tax [VII + VIII]**		**519.54**	**115.51**
X	**Tax expense**			
	Current tax		2.34	-
	Deferred tax		171.70	32.47
	Total tax expenses [X]		**174.04**	**32.47**
XI	**Profit for the period [IX - X]**		**345.50**	**83.04**
XII	Other comprehensive income			
(A)	**Items that will not be reclassified to profit or loss**			
	(i) Re-measurement loss on defined benefits plans		(1.53)	(0.70)
	(ii) Income tax effect on above(i)		0.47	0.21
	(iii) Share of other comprehensive income of associate (previous year ₹ 26,000)		15.91	-
(B)	**Items that will be reclassified to profit or loss**			
	Exchange difference in translating the financial statements of foreign operation (previous year includes tax impact of ₹ 14.84 crores of revaluation reserve)		0.73	(31.14)
	Total other comprehensive income [XII]		**15.58**	**(31.63)**
XIII	**Total comprehensive income for the period [XI+XII]**		**361.08**	**51.41**
XIV	**Profit for the year attributable to:**			
	Owners of the parent		342.97	81.57
	Non-controlling interests		2.53	1.47
			345.50	**83.04**
XV	**Other comprehensive income for the year attributable to:**			
	Owners of the parent		15.58	(31.63)
	Non-controlling interests		-	-
			15.58	**(31.63)**
XVI	**Total comprehensive income for the year attributable to:**			
	Owners of the parent		358.55	49.94
	Non-controlling interests		2.53	1.47
			361.08	**51.41**
XVII	**Earnings per share (in ₹)**	39		
	Basic		7.60	2.29
	Diluted		6.20	2.29
	Significant accounting policies	1		
	Notes to Consolidated Financial Statements	2-46		

This is the Consolidated Statement of Profit and Loss referred to in our report of even date		
For Walker Chandiok & Co LLP Chartered Accountants FRN 001076N/N500013	**Ratan Jindal** Chairman and Managing Director DIN: 00054026	**S. Bhattacharya** Whole Time Director DIN: 03050155
Siddharth Talwar Partner Membership No.: 512752	**Anurag Mantri** Chief Financial Officer	**Navneet Raghuvanshi** Company Secretary
Place: New Delhi **Date:** 25 April, 2018		

JINDAL STAINLESS LIMITED

Consolidated Statement of Changes in Equity for the year ended 31 March 2018

A EQUITY SHARE CAPITAL

(₹ crores)

As at 01 April 2016	Changes in equity share capital during 2016-17	As at 31 March 2017	Changes in equity share capital during 2017-18	As at 31 March 2018
46.24	33.65	79.89	15.95	95.84

B OTHER EQUITY

(₹ crores)

Particulars	Reserves and Surplus									Money received against share warrants	Attributable to owners of the company (A)	Attributable to non controlling interests (B)	Total [(A)+(B)]
	Employees stock option outstanding (ESOP)	Amalgamation reserve	Foreign currency translation reserve	Foreign currency monetary item translation difference account	Debenture redemption reserve (DRR)	Securities premium account	Capital redemption reserve	Revaluation reserve	Retained earnings				
Balance as at 01 April 2016	**2.51**	**1.22**	**(35.75)**	**(28.67)**	**56.69**	**425.51**	**20.00**	**65.61**	**792.67**	**-**	**1,299.79**	**4.82**	**1,304.61**
Profit for the year	-	-	-	-	-	-	-	-	81.57	-	81.57	1.47	83.04
Security premium on issue of shares and warrants	-	-	-	-	-	332.53	-	-	-	-	332.53	-	332.53
Subscription amount towards compulsory convertible warrants	-	-	-	-	-	-	-	-	-	25.01	25.01	-	25.01
Stock option expired during the year	(1.24)	-	-	-	-	-	-	-	-	-	(1.24)	-	(1.24)
Amortisation of translation difference on long term foreign currency monetary items	-	-	-	22.77	-	-	-	-	-	-	22.77	-	22.77
Other comprehensive income for the year, net of tax	-	-	(15.09)	-	-	-	-	(16.05)	(0.49)	-	(31.63)	-	(31.63)
Movement during the year	-	-	5.30	-	-	-	-	-	-	-	5.30	(0.22)	5.08
Transfer from debenture redemption reserve	-	-	-	-	(2.50)	-	-	-	2.50	-	-	-	-
Balance as at 31 March 2017	**1.27**	**1.22**	**(45.54)**	**(5.90)**	**54.19**	**758.04**	**20.00**	**49.56**	**876.25**	**25.01**	**1,734.10**	**6.07**	**1,740.17**
Profit for the year	-	-	-	-	-	-	-	-	342.97	-	342.97	2.53	345.50
Security premium on issue of shares against conversion of funded interest term loan	-	-	-	-	-	224.71	-	-	-	-	224.71	-	224.71
Subscription amount towards compulsorily convertible warrants	-	-	-	-	-	-	-	-	-	49.99	49.99	-	49.99
Conversion of compulsorily convertible warrants and security premium thereon	-	-	-	-	-	71.16	-	-	-	(75.00)	(3.84)	-	(3.84)
Stock option expired during the year	(1.27)	-	-	-	-	-	-	-	1.27	-	-	-	-
Other comprehensive income for the year, net of tax	-	-	0.73	-	-	-	-	16.11	(1.26)	-	15.58	-	15.58
Amortisation of translation difference on Long term foreign currency monetary items	-	-	-	5.90	-	-	-	-	-	-	5.90	-	5.90
Transfer from debenture redemption	-	-	-	-	(2.50)	-	-	-	2.50	-	-	-	-
Others	-	-	-	-	-	-	-	-	(0.05)	-	(0.05)	0.39	0.34
Balance as at 31 March 2018	**-**	**1.22**	**(44.81)**	**-**	**51.69**	**1,053.91**	**20.00**	**65.67**	**1,221.68**	**-**	**2,369.36**	**8.99**	**2,378.35**

This is the Consolidated Statement of Changes in Equity referred to in our report of even date		
For Walker Chandiok & Co LLP Chartered Accountants FRN 001076N/N500013	**Ratan Jindal** Chairman and Managing Director DIN: 00054026	**S. Bhattacharya** Whole Time Director DIN: 03050155
Siddharth Talwar Partner Membership No.: 512752	**Anurag Mantri** Chief Financial Officer	**Navneet Raghuvanshi** Company Secretary
Place: New Delhi **Date :** 25 April, 2018		

Consolidated Cash Flow Statement for the year ended 31 March 2018

(₹ crores)

	Particulars	As at 31 March 2018	As at 31 March 2017
(A)	**Cash flow from operating activities**		
	Profit before tax	519.54	115.51
		519.54	115.51
	Adjustments for:		
	Depriciation and amortisation expense	320.03	325.21
	Loss on sale of property, plant and equipment(net)	2.90	0.24
	Expenses on employee stock options scheme	-	(1.24)
	Gain on sale of current investments	(0.01)	(0.01)
	Interest income on investments	(4.07)	(0.38)
	Liability no longer required written back	(28.75)	(15.29)
	Amortization of deferred revenue	(10.80)	-
	Exchange difference in translating the financial statements of foreign operation	0.73	(31.14)
	Bad debts written off and allowance for expected credit loss	15.31	11.12
	Interest income on fixed deposits and other receivables	(1.68)	(5.78)
	Other income	(3.57)	(2.32)
	Share of profit in associates	(15.77)	(11.48)
	Net unrealised foreign exchange gain	(31.94)	(25.84)
	Provision for estimated recompense liability	27.50	-
	Finance costs (net)	566.06	787.88
	Operating profit before working capital Changes	**1,355.48**	**1,146.48**
	Adjustment for changes in:		
	Trade receivables	(31.87)	35.29
	Inventories	(287.93)	(183.81)
	Other financial assets	146.51	3,895.77
	Other assets	26.07	(169.26)
	Trade and other payables	328.30	113.25
	Other financial liabilities	(131.28)	31.39
	Other liabilities	35.47	271.57
	Provisions	(2.85)	1.48
	Cash generated from operating Activities	**1,437.90**	**5,142.16**
	Income tax paid/ (refunded)	14.57	(27.07)
	Net cash generated from operating activities	**1,452.47**	**5,115.09**
(B)	**Cash flow from investing activities**		
	Purchase of property, plant and equipment (including Capital work in progress)	(202.27)	(74.52)
	Proceeds from sale of property, plant and equipment	7.37	16.14
	Interest received	7.53	19.27
	Loan to related parties	4.20	-
	Increase in deposits with banks	(10.57)	7.78
	Proceeds from sale of current investments(net)	0.50	0.43
	Net Cash used in investing activities	**(193.24)**	**(30.90)**
(C)	**Cash flow from financing activities**		
	Proceeds from issue of shares / warrants	49.99	25.01
	Loan taken from related party	415.00	292.34
	Repayment of short term borrowing (Net)	(946.24)	(173.96)
	Proceeds from borrowings	590.00	-
	Repayment of long-term borrowings	(733.38)	(4,385.38)
	Interest paid	(632.62)	(863.56)
	Net Cash used in financing activities	**(1,257.25)**	**(5,105.55)**

Consolidated Cash Flow Statement for the year ended 31 March 2018

(₹ crores)

Particulars	As at 31-March 2018	As at 31-March 2017
Net decrease in cash and cash equivalents	**1.98**	**(21.36)**
Cash and cash equivalents at the beginning of the year	45.59	66.52
Cash and cash equivalents at the closing of the year	46.90	45.59
Foreign currency translation gain/(loss) on cash and cash equivalents	(0.67)	0.43
Net Changes in cash and cash equivalents	**1.98**	**(21.36)**

This is the Consolidated Cash Flow Statement referred to in our report of even date

For Walker Chandiok & Co LLP Chartered Accountants FRN 001076N/N500013	**Ratan Jindal** Chairman and Managing Director DIN: 00054026	**S. Bhattacharya** Whole Time Director DIN: 03050155
Siddharth Talwar Partner Membership No.: 512752	**Anurag Mantri** Chief Financial Officer	**Navneet Raghuvanshi** Company Secretary

Place: New Delhi
Date: 25 April, 2018

Summary of the significant accounting policies and other explanatory information

1. Significant accounting policies

A. Corporate and general information

Jindal Stainless Limited ("the Company") is domiciled and incorporated in India and its equity shares and GDR are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and Luxemburg Stock Exchange (LSE) respectively. The registered office of the Company is located at O. P. Jindal Marg, Hisar, Haryana, India. The Company is a leading manufacturer of Stainless Steel flat products in Austenitic, Ferritic, Martensitic and Duplex grades. The product range includes Ferro Alloys, Stainless Steel Slabs, Hot Rolled Coils, Plates and Sheets, and Cold Rolled Coils and Sheets.

The consolidated financial statements of the Company for the year ended 31 March 2018 were approved and authorised for issue by the Board of Directors in their meeting held on 25 April 2018.

The Company, its subsidiaries and its associates (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

I. Subsidiaries

Name of the entity	Principal Activities	Country of Incorporation	% of Equity Interest	
			31 March 2018	31 March 2017
PT. Jindal Stainless Indonesia	Stainless steel manufacturing	Indonesia	99.999	99.999
Jindal Stainless UK Limited	Stainless steel manufacturing	UK	100	100
Jindal Stainless FZE	Stainless steel manufacturing	UAE	100	100
JSL Group Holdings Pte. Limited	Stainless steel manufacturing	Singapore	100	100
Iberjindal S.L.	Stainless steel manufacturing	Spain	65	65

II. Associates

Name of the entity	Principal Activities	Country of Incorporation	% of Equity Interest	
			31 March 2018	31 March 2017
Jindal Stainless Corporate Management Services Private Limited	Management services	India	50	50
Jindal United Steel Limited	Stainless steel manufacturing	India	26	26
Jindal Coke Limited	Coke manufacturing	India	26	26

B. Basis of preparation

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended upto the reporting date i.e. 31 March 2018.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The consolidated financial statements have been prepared under the historical cost convention basis except for the following:

- Certain financial assets and liabilities which are measured at amortised cost or fair value;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payments which are measured at fair value of the options.

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

The consolidated financial statements are presented in Indian Rupees ('₹'), which is the holding company's functional and presentation currency and all amounts are rounded to two decimal places of crores (except otherwise indicated).

C. Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Profit/(loss) and other comprehensive income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31 March 2018.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the parent company and to the non-controlling interests, even if this results in the noncontrolling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

Associates

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

D. Significant accounting policies

a) Revenue recognition

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is neither continuing managerial involvement with nor effective control over the goods sold, it is probable that economic benefits will flow to the Group, the costs incurred or to be incurred in respect of the transaction can be measured reliably and the amount of revenue can be measured reliably.

Revenue from services rendered is recognised in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

Income from export incentives are recognised on accrual basis.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc.

Interest income
Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. For all financial assets measured at amortised cost (refer 'h' below), interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

Dividend income
Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

b) Foreign currency translation

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the statement of profit and loss in the year in which they arise.

Pursuant to the exemption under Ind AS 101, the Group has continued to apply the accounting policy of amortisation of exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period (i.e. year ended 31 March 2016) over the tenure of the underlying item.

c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation 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 capitalised during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are charged to the statement of profit and loss as incurred.

d) Property, plant and equipment

Recognition and initial measurement
Property, plant and equipment recognised in the financial statements on the date of transition to Ind-AS are stated at their deemed cost less accumulated depreciation. Items of property, plant and equipment acquired after the date of transition to Ind-AS are stated at their cost of acquisition less accumulated depreciation.

The cost of acquisition comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Group. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognises the replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in 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.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)
Depreciation on property, plant and equipment is provided on the straight-line method over their useful lives and in the manner specified in Schedule II to the Companies Act, 2013. However, in respect of certain plant and machinery and electrical installations, depreciation is provided as per their useful lives ranging from 20 to 40 years, assessed on the basis of technical evaluation by an external expert. Leasehold land is depreciated over the lease term.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-recognition
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

e) Intangible assets

Recognition and initial measurement
Purchased intangible assets are stated at cost less accumulated amortisation and impairment, if any.

Internally developed intangible assets
Expenditure on the research phase of projects is recognised as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided the Group can demonstrate the following:

- the technical feasibility of completing the intangible asset so that it will be available for use;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development costs not meeting these criteria for capitalisation are expensed as incurred.

Directly attributable costs include employee costs incurred on development of prototypes along with an appropriate portion of relevant overheads and borrowing costs.

Subsequent measurement (amortisation)
All finite-lived intangible assets, including internally developed intangible assets, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

Asset category	Estimated useful life (in years)
Mine development expenses (stripping costs)	Over the period of expected duration of benefits
Software	5

The amortisation period and the amortisation method for finite-lived intangible assets 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 amortisation 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 amortised, 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. If not, the change in useful life from indefinite to finite life is made on prospective basis.

f) Leases

Finance lease

Management applies judgement in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include i) the length of the lease term in relation to the economic life of the asset ii) the present value of the minimum lease payments in relation to the asset's fair value, and iii) whether the Group obtains ownership of the asset at the end of the lease term. Where the Group is a lessee in this type of arrangement, the related asset is recognised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments. A corresponding amount is recognised as a finance lease liability. Assets held under finance leases (including land) are depreciated over their estimated useful lives. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to statement of profit and loss, as finance costs over the period of the lease.

Refer (d) above for the depreciation methods and useful lives for assets held under finance leases.

The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating lease

All leases other than finance leases are treated as operating leases. Where the Group is a lessee, lease rentals are charged to statement of profit and loss on straight line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs. Associated costs, such as maintenance and insurance, are expensed as incurred.

g) Financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

i. at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

ii. in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

i. **Financial assets at amortised cost** – a financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. **Investments in equity instruments of subsidiaries, joint ventures and associates** - Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 *Separate Financial Statements.*

iii. **Financial assets at fair value**

- **Investments in equity instruments other than above** – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

  If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

  Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

- **Mutual funds** – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets
A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement
After initial recognition, the financial liabilities are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Derivative financial instruments
The Group uses derivative financial instruments principally to manage its exposure to fluctuations in interest rates, 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 or 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 recognised 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 recognising 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 profit or loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

(i) **For debtors that are not past due** – The Group applies approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

Life time expected credit losses are assessed and accounted based on Group's historical counter party default rates and forecast of macro-economic factors, by dividing receivables that are not considered to be individually significant by reference to the business segment of the counter party and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counter party default rates for each identified segment.

The Group defines default as an event when the financial asset is past due for more than 365 days and also considering various factors like specific communication with the concerned debtor, internal assessment of the Group etc. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

(ii) **For debtors considered past due** – any enhancement in the accrual done for expected credit loss on individually significant receivables is made to recognise any additional expected credit loss on amount recoverable. The Group writes off trade receivables after it is established beyond doubt that the account is uncollectible. Financial assets that are written-off are still subject to enforcement activity by the Group.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

i) Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed which is the higher of fair value less costs of disposal and value-in-use and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

j) Fair value measurement

The Group measures certain financial instruments, such as, derivatives and investments at fair value at each balance sheet date.

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 Group.

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.

Refer Note 44 for fair value hierarchy.

k) Inventories

Inventories are stated at the lower of cost and net realisable value (except scrap/waste which are valued at net realisable value). The cost of inventories comprises of all costs of purchase, costs 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. Costs of inventories are computed using the weighted average cost formula. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

l) Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

m) Investment in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

n) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and allattached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants for non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

o) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

p) Post-employment, long term and short term employee benefits

The Group provides post-employment benefits through various defined contribution and defined benefit plans:

Defined contribution plans

A defined contribution plan is a plan under which the Group pays fixed contributions into an independent fund administered by the government, for example, contribution towards Employees' Provident Fund Scheme and Employees' State Insurance Scheme. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognised as an expense in the year that related employee services are received.

Defined benefit plans

The defined benefit plans sponsored by the Group define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Group.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering services (such as, salaries, wages, short-term compensated absences, performance incentives, expected cost of bonus, ex-gratia, etc.) are classified as short-term employee benefits. Expense in respect of short-term employee benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred. The Group shall recognise a liability and expense for termination benefits at the earlier of the following dates:
(a) when the entity can no longer withdraw the offer of those benefits; and
(b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

q) Non-current assets held for sale and discontinued operations

An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets, assets arising from employee benefits and deferred tax assets, continue to be measured in accordance with the Group's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale. Profit or loss from discontinued operations comprise the post-tax profit or loss of discontinued operations and the post-tax gain or loss resulting from the measurement and disposal of assets classified as held for sale. Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item, profit or loss from discontinued operations.

r) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

s) Exceptional items

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

t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

E. Significant management judgement in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group's accounting policies and that may have the most significant effect on the amounts recognised in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Allowance for expected credit losses – The allowance for expected credit losses reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Group's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.

Evaluation of indicators for impairment of non-financial assets – The evaluation of applicability of indicators of impairment of non-financial assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of Group's plant and equipment.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

Contingent liabilities – The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Fair value measurement of financial instruments: When the fair values of financial assets and financial liabilities recognised 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.

F. Standards issued but not yet effective

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, *Foreign currency transactions and advance consideration* which clarifies 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, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115- Revenue from Contract with Customers: On 28 March 2018, MCA has notified Ind AS 115, *Revenue from Contract with Customers*. The core principle of the new standard is that 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. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and ash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this 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
- Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.

The Group is evaluating the requirements of this amendment and the impact on the financial statements is being evaluated.

2. Property, plant and equipment **(₹ crores)**

DESCRIPTION	Leasehold Land	Freehold Land *	Buildings **	Plant and Machinery #	Electric Installation	Vehicles	Furniture and Fixtures	Office equipment	Power Line and Bay Extension	Grand Total	Capital work in progress
Gross carrying amount											
As at 01 April 2016	**442.63**	**323.84**	**1,102.70**	**5,337.80**	**119.46**	**10.90**	**3.97**	**12.95**	**9.19**	**7,363.44**	
Additions	-	-	3.60	82.46	1.89	1.29	0.57	1.03	-	90.84	
Disposal	-	-	-	(24.76)	-	(0.70)	-	(0.01)	-	(25.47)	
Foreign exchange difference	-	(1.83)	(0.85)	(7.33)	-	(0.09)	-	(0.23)	-	(10.33)	
As at 31 March 2017	**442.63**	**322.01**	**1,105.45**	**5,388.17**	**121.35**	**11.40**	**4.54**	**13.74**	**9.19**	**7,418.48**	
Additions	0.16	0.36	8.74	40.10	0.38	3.72	1.03	0.59	-	55.08	
Disposal	(2.81)	-	(0.83)	(10.49)	(0.55)	(1.55)	(2.26)	(0.68)	-	(19.17)	
Foreign exchange difference	-	0.42	0.18	1.74	-	0.03	-	0.05	-	2.42	
As at 31 March 2018	**439.98**	**322.79**	**1,113.54**	**5,419.52**	**121.18**	**13.60**	**3.31**	**13.70**	**9.19**	**7,456.81**	
Accumulated depreciation											
As at 01 April 2016	**5.26**	**-**	**47.34**	**453.21**	**7.16**	**4.44**	**0.92**	**11.24**	**0.55**	**530.12**	
Depreciation charge for the year	5.40	-	32.17	267.33	7.26	1.36	0.87	0.79	0.55	315.73	
Disposal /Adjustment	-	-	-	(8.57)	-	(0.52)	-	-	-	(9.09)	
Foreign exchange difference	-	-	(0.42)	(4.89)	-	(0.07)	-	(0.23)	-	(5.61)	
As at 31 March 2017	**10.66**	**-**	**79.09**	**707.08**	**14.42**	**5.21**	**1.79**	**11.80**	**1.10**	**831.15**	
Depreciation charge for the year	5.40	-	32.39	262.37	6.97	1.76	0.17	0.33	0.55	309.94	
Disposal /Adjustment	(0.11)	-	(0.01)	(5.61)	(0.45)	(1.21)	(1.30)	(0.21)	-	(8.90)	
Foreign exchange difference	-	-	0.11	1.29	-	0.01	-	0.05	-	1.46	
As at 31 March 2018	**15.95**	**-**	**111.58**	**965.13**	**20.94**	**5.77**	**0.66**	**11.97**	**1.65**	**1,133.65**	
Net carrying amount										**-**	
As at 31 March 2017	**431.97**	**322.01**	**1,026.36**	**4,681.09**	**106.93**	**6.19**	**2.75**	**1.94**	**8.09**	**6,587.33**	**29.73**
As at 31 March 2018	**424.03**	**322.79**	**1,001.96**	**4,454.39**	**100.24**	**7.83**	**2.65**	**1.73**	**7.54**	**6,323.16**	**143.75**

* Includes ₹ 16.78 crores (previous year ₹ 16.78 crores) jointly owned with other body corporate with 50% share.
**Includes ₹ 1.17 crores (previous year ₹ 1.17 crores) jointly owned with other body corporate with 50% share.
Includes ₹ 3.65 crores (previous year ₹ 10.80 crores) on account of foreign exchange fluctuation on loan including fluctuation relating to forward cover.

Contractual obligations
Refer note 28 for disclosures of contractual commitments for the acquisition of property, plant and equipment.

Property, plant and equipment pledged as security
Refer note 13 for information on property, plant and equipment pledged as security by the Company

2A- Other intangible assets

(₹ crores)

DESCRIPTION	Computer Software	Mine development expense (stripping Cost)	Total
Gross carrying amount			
As at 01 April 2016	**21.37**	**14.38**	**35.75**
Additions	1.05	-	**1.05**
Disposal/Adjustments	-	-	**-**
Foreign exchange difference	-	-	**-**
As at 31 March 2017	**22.42**	**14.38**	**36.80**
Additions	9.23	-	**9.23**
Disposal/Adjustments	(1.05)	-	**(1.05)**
Foreign exchange difference	0.01	-	**0.01**
As at 31 March 2018	**30.61**	**14.38**	**44.99**
Accumulated amortization			
As at 01 April 2016	**4.89**	**1.29**	**6.18**
Amortisation charge for the year	5.80	3.68	**9.48**
Disposal/Adjustments	-	-	**-**
Foreign exchange difference	-	-	**-**
As at 31 March 2017	**10.69**	**4.97**	**15.66**
Amortisation charge for the year	6.44	3.68	**10.12**
Disposal/Adjustments	-	-	**-**
Foreign exchange difference	-	-	**-**
As at 31 March 2018	**17.13**	**8.65**	**25.78**
Net carrying amount			
As at 31 March 2017	**11.73**	**9.41**	**21.14**
As at 31 March 2018	**13.48**	**5.73**	**19.21**

(₹ in Crore)

Note	DESCRIPTION	As at 31 March 2018			As at 31 March 2017		
		Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
3	**INVESTMENTS**						
I	**NON-CURRENT INVESTMENTS**						
A	**Investment in equity instruments**						
	Equity Shares Fully Paid Up of other companies-carried at fair value through other comprehensive income (unquoted)						
	MJSJ Coal Limited	85,59,000	10	8.47	85,59,000	10	8.47
	Jindal Synfuels Limited	1,00,000	10	0.10	1,00,000	10	0.10
	JSL Energy Limited ₹10,000 (previous year ₹10,000)	1,000	10	0.00	1,000	10	0.00
	Arian Resources Corp. (formerly Golden Touch Resources Corporation)	1,11,102		0.01	1,11,102		0.01
	Total (i)			**8.58**			**8.58**
	Total (A)			**8.58**			**8.58**
B	**Investment in preference shares of associate companies**						
(i)	**0.01% Non-Cumulative Compulsorily Convertible Preference Shares Pending Allotment carried at cost**						
	Jindal Coke Limited	1,76,17,568	10	17.62	1,76,17,568	10	17.62
	Jindal United Steel Limited	13,11,31,081	10	131.13	13,11,31,081	10	131.13
	Total(i)			**148.75**			**148.75**
(ii)	**10% Non-Cumulative Non Convertiable Redeemable preference shares carried at amortised cost***						
	Jindal Coke Limited	9,16,47,073	10	14.30	9,16,47,073	10	12.33
	Jindal United Steel Limited	8,76,73,311	10	13.68	8,76,73,311	10	11.79
	Total (ii)			**27.98**			**24.12**
	Total(B)			**176.73**			**172.87**
C	**Investment in government securities carried at amortised cost**						
	8.57% Andhra Pradesh SDL 2020	2,20,000	100	2.31	2,20,000	100	2.22
	Total (C)			**2.31**			**2.22**
	TOTAL NON-CURRENT INVESTMENS (I)			**187.63**			**183.67**
II	**CURRENT INVESTMENTS**						
A	**Investment in equity instruments-carried at fair value through profit or loss (quoted)**						
	Hotel Leela Ventures Limited	90,000	2	0.15	90,000	2	0.15
	Central Bank of India	7,247	10	0.06	7,247	10	0.08
	Adani Ports and Special Economic Zone Limited	7,355	2	0.26	7,355	2	0.25
	Total (A)			**0.47**			**0.48**
B	**Investment in government securities carried at amortised costs (unquoted)**						
	7.64% KSFC 2018			-	5	1,000,000	0.49
	Total (B)			-			0.49
	TOTAL CURRENT INVESTMENT(II)			**0.47**			**0.97**
	Aggregate amount of unquoted investements			187.63			183.67
	Aggregate amount and market value of quoted investments			0.47			0.48

* In terms of Composite Scheme of Arrangement (Refer note 26(ii)), Jindal Coke Limited and Jindal United Steel Limited issued 10% non cumulative non convertible redeemable preference shares to the Company.

The difference between the fair value of such preference shares upon initial recognition and the amount of settlement as per the said scheme, has been accounted as deemed equity contribution and added to investment in equity shares.

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
4	**LOANS** (Unsecured, considered good unless otherwise stated)				
	Security deposits	24.95	9.28	6.64	19.63
	Loan to related party	9.04	8.99	-	4.25
	Other loans	-	52.27	-	-
	TOTAL- LOANS	**33.99**	**70.54**	**6.64**	**23.88**
	Refer note-44 for disclosure of fair value in respect of financial assets measured at amortised cost and assessment of expected credit losses.				

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
5	**OTHER FINANCIAL ASSETS** (Unsecured, considered good unless otherwise stated)				
	Amount receivable in terms of Composite Scheme of Arrangement@	-	-	-	66.79
	Other receivables*	-	-	11.98	50.42
	Derivative assets	-	-	10.10	-
	Bank deposits with remaining maturity of more than 12 Months**	0.40	0.09	-	-
	TOTAL- OTHER FINANCIAL ASSETS	**0.40**	**0.09**	**22.08**	**117.21**
	* Includes receivable from Jindal United Steel Limited (an associate company) of ₹ 5.97 crores (previous year ₹ 19.81 crores) ** ₹ 0.37 crore (previous year ₹ 0.09 crore) is under lien with banks. @ Refer note 26				

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
6	**DEFERRED TAX ASSETS (LIABILITIES) (NET)**		
(a)	**Deferred tax liability arising on account of**		
	Property, plant and equipment and intangible assets	1,205.80	1,167.02
	Total deferred tax liability	**1,205.80**	**1,167.02**
(b)	**Deferred tax assets arising on account of**		
	Expenses deductible on payment	253.04	320.20
	Allowances for expected credit losses	21.38	18.81
	Loss on fair value of investments	0.61	6.13
	Brought forward loss/Unabsorbed depreciation	814.15	876.49
	MAT credit entitlement	57.67	57.67
	Total deferred tax assets	**1,146.85**	**1,279.30**
	TOTAL-DEFERRED TAX ASSETS (LIABILITIES) (NET)	**(58.95)**	**112.82**

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
7	**OTHER ASSETS**				
	Capital advances	45.04	19.16	-	18.18
	Prepaid rent	11.14	9.17	1.58	1.14
	Advances to vendors	-	-	116.21	120.59
	Balances with statutory authorities	-	-	247.11	242.95
	Other receivables	8.22	0.39	11.01	28.92
	TOTAL-OTHER ASSETS	**64.40**	**28.72**	**375.91**	**411.78**

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
8	**INVENTORIES**		
	Raw materials [including material in transit ₹ 125.46 crores (Previous year ₹ 192.08 crores)]	685.12	342.32
	Work in progress	666.37	710.19
	Finished goods	652.58	853.14
	Stock in trade [including material in transit ₹ 56.02 crores (previous year Nil)	60.93	1.37
	Store and spares (including material in transit ₹ 35.40 crores (previous year Nil)	313.47	189.52
	TOTAL- INVENTORIES	**2,348.47**	**2,096.54**
	Inventories has been pledged as security against certain bank borrowings of the Company (Refer note 13 and 17).		

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
9	**TRADE RECEIVABLES (Unsecured)**		
	Considered good	906.81	889.52
	Considered doubtful	10.87	11.61
	Less: - Allowance for expected credit losses	(10.87)	(11.61)
	TOTAL-TRADE RECEIVABLES	**906.81**	**889.52**
	(i)Trade receivables have been pledged as security against certain bank borrowings of the Company (Refer note 13 and 17). (ii) Refer note 44 for disclosure of fair values in respects of financial assets measured at amortised cost and assessment of expected credit losses.		

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
10	**CASH AND CASH EQUIVALENTS**		
	Balances with banks	40.18	12.36
	Balances with banks in foreign currency	0.74	0.38
	Bank deposits with original maturity of less than three months*	1.88	20.46
	Cheque in hand/remittances in transit	4.01	12.20
	Cash in hand	0.09	0.19
	TOTAL-CASH AND CASH EQUIVALENTS	**46.90**	**45.59**
	*₹ 1.87 crores (previous year ₹ 10.00 crores) is under lien with banks. Refer note 44 for disclosure of fair values in respect of financial assets is measured at amortised cost and assessment of expected credit losses.		

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
10A	**OTHER BANK BALANCES**		
	Bank deposits with original maturity of more than three months but residual maturity of less than 12 Months*	16.08	5.82
	TOTAL-OTHER BANK BALANCES	**16.08**	**5.82**
	₹ 4.02 crores (previous year ₹ 3.98 crores) is under lien with banks. Refer note 44 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.		

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
11	**CURRENT TAX ASSETS (NET)**				
	Prepaid taxes [net of provision of ₹ 136.00 crores (previous year ₹ 134.79 crores)]	37.34	-	13.99	65.90
	TOTAL-CURRENT TAX ASSETS (NET)	**37.34**	**-**	**13.99**	**65.90**

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
12	**EQUITY SHARE CAPITAL**		
(A)	**AUTHORISED**		
	605,000,000(previous year 600,000,000) equity share of ₹ 2 each	121.00	120.00
	170,000,000 (previous year 170,000,000) Preference share of ₹ 2 each.	34.00	34.00
		155.00	**154.00**
(B)	**ISSSUED, SUBSCRIBED AND PAID UP**		
	479,221,660(previous year 399,469,754) equity shares of ₹ 2 each fully paid up.	95.84	79.89
		95.84	**79.89**

(A) RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AT THE END OF THE REPORTING YEAR

(₹ in Crore)

	As at 31 March 2018	As at 31 March 2017
	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	39,94,69,754	23,11,85,445
Shares issued during the year		
On Preferencial basis to Jindal Stainless (Hisar) Limited	-	16,82,84,309
On conversion of Funded Interest Term Loan I and Funded Interest Term Loan II	6,05,70,320	-
On Conversion of Compulsorily convertible Warrants	1,91,81,586	-
Shares outstanding at the end of the year	**47,92,21,660**	**39,94,69,754**

(i) During the year the Company has allotted 60,570,320 equity shares having face value of ₹ 2 each ("Equity Shares") to the lenders of the Company Upon conversion of the funded Interest Term Loan I and the Funded Interest Term loan II at a price of ₹ 39.10 (including premium of ₹ 37.10) per shares, aggregating to ₹ 236.83 crores.

(ii) COMPULSORILY COVERTIBLE WARRANTS (CCWs)

During the year ended 31 March 2017, the Company had allotted 19,181,586 CCW having face value of ₹ 2 each convertible into 19,181,586 Equity Shares having the face value of ₹ 2 each to Virtuous Tradecorp Private Limited ("VTPL"), a promoter group entity, for cash consideration at a price of ₹ 39.10 per CCWs (including premium of ₹ 37.10 per CCW) by way of preferential allotment and received a sum of ₹ 25.01 crores towards such application. During the year ended 31 March 2018, 19,181,586 CCW of ₹ 2 each have been converted into 19,181,586 Equity Shares of ₹ each on receipts of the balance Subscription amount of ₹ 26.06 per CCW from VTPL.

(iii) As on 31 March 2018, 8,802,167 GDSs (Previous year 8,802,167 GDSs) with 17,604,334 underlying equity shares (previous year 17,604,334 equity shares) were outstanding Each GSD represents 2 Underlying equity shares of the Company

(B) TERMS/RIGHT ATTACHED TO EQUITY SHARES

The Company has only one class of equity shares having a face value of ₹ 2 per share. Each Shareholder is eligible for one vote per equity shares 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 procedures as prescribed under the Regulation S Deposit Agreement. The Company declares and pays dividend 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.

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

NAME OF THE SHAREHOLDER	As at 31 March 2018		As at 31 March 2017	
	No. of Equity Shares	% holding	No. of Equity Shares	% holding
JSL Overseas Holding Limited	5,42,60,440	11.32%	2,77,00,000	6.93%
JSL Overseas Limited	-	-	2,65,60,440	6.65%
Jindal Stainless (Hisar) Limited	16,82,84,309	35.12%	16,82,84,309	42.13%

(D) During the five years immediately preceding 31 March 2018, in year ended 31 March 2017, the Company issued 168,284,309 equity shares to Jindal stainless (Hisar) Limited in terms of the Composite scheme of arrangement referred to in note 26. In the aforementioned period of five years the Company has neither allotted any bonus shares nor have any shares been bought back.

(E) OPTIONALLY CONVERTIABLE REDEEMABLE PREFERENCE SHARES

During the year, the Company has allotted **142,830,637** 0.01% Optionally Convertible Redeemable Preference Shares having face value of ₹ 2 each ("OCRPS") to the lenders of the Company upon conversion of the Funded Interest Term Loan I and The Funded Interest Term Loan II at a price of ₹ 39.10 (including premium of ₹ 37.10) per OCRPS aggregating to ₹ 558.47 crores, on the terms as approved by the Board of Directors of the Company. (Refer note 30 (II) and note 13).

(F) Refer note 36 for shares reserved for issue under Employee Stock Option Plan (ESOP) 2010, equity shares of ₹ 2 each at as exercise price of ₹ 75 per shares.

12A. OTHER EQUITY

i) Employee Stock option outstanding (ESOP)

The reserve represents accumulated expense in respect of vested employee stock options.

(₹ in Crore)

DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	1.27	2.51
Less: Expired during the year	1.27	1.24
Balance at the end of the year	**-**	**1.27**

ii) Amalgamation Reserve

This reserve was created in accordance with an approved scheme of amalgamation between Jindal Stainless Limited Austenitic creations Pvt. Limited and J-Inox Creations Pvt. Limited with effect from 1 April 2003.

(₹ in Crore)

DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	1.22	1.22
Balance at the end of the year	**1.22**	**1.22**

iii) Foreign Currency Monetary items translation difference account

This reserve represents unamortised foreign exchange differences arising on translation of long term foreign currency monetary items.

(₹ in Crore)

DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	(5.90)	(28.67)
Less: Amortised during the year	5.90	22.77
Balance at the end of the year	**-**	**(5.90)**

iv) Debenture redumption reserve

The Companies Act 2013 requires companies that issue debentures to create a debenture redumption reserve from annual profits. Companies are required to maintain a reserve of 25% of the value of redeemable debentures. The amounts credited to the debenture redumption reserve may not be utilized except to redeem debentures.

(₹ in Crore)

DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	54.19	56.69
Less: Transferred during the year to retained earnings.	2.50	2.50
Balance at the end of the year	**51.69**	**54.19**

v) Securities Premium account

Represents the amount received in excess of par value of securities.

(₹ in Crore)

DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	758.04	425.51
Add: Securities premium received on conversion of compulsorily convertible warrants and funded interest term loan	295.87	332.53
Balance at the end of the year	**1,053.91**	**758.04**

vi) Capital Redumption Reserve

Capital redumption reserve represents reserve created as per provisions of section 80 of Companies Act 1956 on redemption of 10.5% Redeemable Cumulative non convertible Preference Shares in the Financial year 2003-04.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	20.00	20.00
Balance at the end of the year	**20.00**	**20.00**

vii) Retained Earnings

Represents the undistributed surplus of the Company.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	876.25	792.67
Add: Profit for the year	342.97	81.57
Less: Other Comprehensive income for the year, net of tax	(1.26)	(0.49)
Add: Transfer from debenture redumption reserve	2.50	2.50
Add: Stock options expired	1.27	-
Balance at the end of the year	(0.05)	-
	1,221.68	**876.25**

viii) Money received against share warrants

Represents amount received towards Subscription of Compulsorily convertible warrants (Refer note 12 (ii))

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	25.01	25.01
Add: Subscription amount towards compulsorily convertible warrants	49.99	-
Less: Conversion of compulsorily convertible warrants	(75.00)	-
Balance at the end of the year	**-**	**25.01**

ix) Revaluation reserve

Represents the gain arises on the revaluation of land of one of its subsidiary company.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	49.56	65.61
Less: Other comprehensive income/(loss)	16.11	(16.05)
Balance at the end of the year	**65.67**	**49.56**

x) Foreign currency translation reserve

Represents the exchange differences arises on translation of its foreign operation of the Company from functional currency to reporting currency of the group.

		(₹ in Crore)
DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	(45.54)	(35.75)
Less: Other comprehensive income/(loss)	0.73	(15.09)
Movement during the year	-	5.30
Balance at the end of the year	**(44.81)**	**(45.54)**

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
13	**BORROWINGS SECURED**				
(a)	**DEBENTURES**				
	Redeemable non convertible debentures	138.48	184.25	28.80	32.50
		138.48	**184.25**	**28.80**	**32.50**
(b)	**TERM LOANS**				
	From banks				
	Rupee term Loans	1,198.54	1,277.01	92.34	51.69
	Foreign currency loans	476.63	740.05	238.31	247.63
	From others				
	(Non banking financial corporations)				
	Rupee term Loans	202.77	-	43.31	-
		1,877.94	**2,017.06**	**373.96**	**299.32**
(c)	**FUNDED INTEREST TERM LOANS**				
	From banks	-	651.23	-	166.34
	From others	27.98	44.45	9.64	9.84
		27.98	**695.68**	**9.64**	**176.17**
	TOTAL-SECURED	**2,044.40**	**2,896.99**	**412.40**	**507.99**
	UNSECURED				
(d)	0.01% Optionally Convertible Redeemable Preference Shares [Refer note 30 (II)]	606.50	-	-	-
(e)	Inter Corporate deposits from related party	900.00	485.00	-	-
	TOTAL- UNSECURED	**1,506.50**	**485.00**	**-**	**-**
	Less: Amount disclosed under the head Other financial liabilities-current (Refer note 14)	-	-	412.40	507.99
	TOTAL-NON CURRENT BORROWINGS	**3,550.90**	**3,381.99**	**-**	**-**
	Refer note 44 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.				

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The charge in the Company's liabilities arising from financing activities can be classified as follows:

(₹ in Crore)

Particulars	Long term borrowings	Short-term Borrowings (Refer note 17)
Opening balance as on 1 April 2017	**3.889.98**	**1,997.75**
CASH FLOWS:		
Repayment	(733.38)	(946.24)*
Proceeds	1,005.00	-
NON- CASH:		
Conversion of Funded Interest Term Loan I and Funded Interest Term Loan II into equity shares	(236.83)	-
Interest accrued on 0.01% Optionally Convertible Redeemable Preference shares (Refer note 30(II))	48.04	-
Amortisation of transaction costs in respects of Financial Liabilities carried at amortised cost	(9.51)	-
Closing balance as on 31 March 2018	**3,963.30**	**1,051.51**
*Short term borrowings are presented on net basis		

Instruments	Balance (₹ crores) as at		Repayments terms for borrowings outstanding as on 31 March 2018	Security details for borrowings outstanding as on 31 March 2018
	31 March 2018	31 March 2017		
SECURED BORROWINGS				
Redeemable Non-Convertible Debentures	167.28	216.75	Redeemable in quarterly installments of: -₹ 9.60 crores each crores each during 2018-19 (three installments) -₹ 10.20 crores each during 2019-20 -₹ 11.40 crores each during 2020-21 -₹ 10.42 crores each during 2021-22 (five installments)	Secured by First pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in -progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, Refer note 30 (III).
Rupee Term Loan	45.26	86.68	Repayable in quarterly installments of: -₹ 2.60 crores each during 2018-19 -₹ 2.76 crores each during 2019-20 -₹ 3.09 crores each during 2020-21 -₹ 2.82 crores each during 2021-22	Secured by: -first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present and future and -second pari-passu charge by way of hypothecation and / or pledge of current assets namely finished goods, raw materials, work in progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, refer note 30 (III).
Rupee Term Loan	48.02	235.05	Repayable in quarterly installments of: -₹ 2.60 crores each during 2018-19 -₹ 2.94 crores each during 2019-20 -₹ 3.81 crores each during 2020-21 -ranging from ₹ 1.60 crores to ₹ 2.91 crores each during 2021-22	
Rupee Term Loan	911.52	956.08	Repayable in quarterly installments of: -₹ 7.19 crores each during 2018-19 -₹ 9.58 crores each during 2019-20 -thereafter ranging from ₹ 14.37 crores to ₹ 46.44 crores each during 2020-21 to 2026-27	
Rupee Term Loan	274.18	-	Repayable in quarterly installments of: -₹ 11.25 crores each during 2018-19 -₹ 18.75 crores each during 2019-20 -₹ 18.75 crores each during 2020-21 -₹ 18.75 crores each during 2021-22 And installments of ₹ 4.19 crores during 2022-23	Secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present and future.
Rupee Term Loan	250	-	Repayable in monthly installments -ranging from ₹ 3.33 crores to ₹ 5.0 crores during 2018-19 -thereafter ranging from ₹ 1.25 crores to ₹ 6.67 crores during 2019-20 to 2022-23	Also, Refer note 30(III)(a).
Rupee Term Loan	-	21.82		
Rupee Term loan	17.38	29.07	Repayable in quarterly installments of: -₹ 1.00 crores each during 2018-19 -₹ 1.06 crores each during 2019-20 -₹ 1.19 crores each during 2020-21 -₹ 1.08 crores each during 2021-22	Secured by second pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present and future and hypothecation and/ or pledge of current assets namely finished goods, raw materials, work in progress, consumables stores and spares, book debts and bills receivable, both present and future. Also, Refer note 30 (III)
Total	**1,546.36**	**1,328.70**		
Less: Unamortised portion of upfront fees and transaction cost	(9.40)	-		
Total-Rupee Term Loans	**1,536.96**	**1,328.70**		

Instruments	Balance (₹ crores) as at		Repayments terms for borrowings outstanding as on 31 March 2018	Security details for borrowings outstanding as on 31 March 2018
	31 March 2018	31 March 2017		
Foreign Currency Loan	-	33.10		
Foreign Currency Loan	714.94	954.58	Repayable in annual installments of ₹ 238.31 crores each during 2018-19 to 2020-21	Secured by -first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present and future and -Second pari-passu charge by way of hypothecation and / or Pledge of current assets namely finished goods, raw materials, work in progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, Refer note 30 (III)(c).
Total-Foreign Currency Loan	**714.94**	**987.68**		
Funded Interest Term Loans	23.76	399.18	Repayable in quarterly installments of: -₹ 1.37 crores each during 2018-19 -₹ 1.45 crores each during 2019-20 -₹ 1.62 crores each during 2020-21 -₹ 1.47 crores each during 2021-22	Secured by -first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present and future and -Second pari-passu charge by way of hypothecation and / or Pledge of current assets namely finished goods, raw materials, work in progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, Refer note 30 (III).
Funded Interest Term Loans	13.86	472.67	Repayable in quarterly installments of ₹ 1.39 crores each from 30 April 2018 till 31 July 2020.	
Total-Funded Interest Term Loans	**37.62**	**871.85**		
TOTAL –SECURED BORROWINGS	**2,456.80**	**3,404.98**		
UNSECURED BORROWINGS				
0.01% Optionally Convertible Redeemable Preference Shares	606.50	-	Refer note 30(II)	
Inter-Corporate deposits from related party	900.00	485.00	Repayable in one or more installments by 31 March 2023 or such other terms as may be mutually agreed between the Company and Jindal Stainless (Hisar) Limited.	
TOTAL-UNSECURED BORROWINGS	**1,506.50**	**485.00**		
TOTAL-LONG TERM BORROWINGS	**3,963.30**	**3,889.98**		

The above Term loans (including Redeemable Non-Convertible Debentures, Rupee Term Loans and Funded Interest Term Loans) bear a floating rate of interest linked with SBI Base Rate/ MCLR of respective banks plus applicable spread ranging from 100 bps to 425 bps.

Foreign currency loan facilities carry rate of interest, equivalent to applicable LIBOR plus applicable spread ranging from 380 bps to 395 bps.

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
14	**OTHER FINANCIAL LIABILITIES @**				
	Current maturities of long term borrowings	-	-	412.40	507.99
	Interest accrued	-	-	16.31	121.39
	Capital Creditors	-	-	73.87	71.93
	Security deposits	23.23	7.64	61.42	11.86
	Unpaid matured deposits and interest accrued thereon	-	-	0.36	0.56
	Derivative liability	-	-	12.06	-
	Other outstanding financial liabilities*	27.50	6.77	301.60	513.92
	TOTAL–OTHER FINANCIAL LIBILITIES	**50.73**	**14.41**	**878.02**	**1,227.65**
	* Payable to a bank ₹ Nil {16 monthly installments (including 2 installments in Non-Current of ₹ 3.43 crores each)} (including interest)}. * include ₹ 141.41 crores (previous year ₹ 164.44 crores) payable to Jindal Stainless (Hisar) Limited and Nil (previous year ₹ 159.76 crores) to Jindal Coke Limited. @ Refer note 44 for disclosure of fair values in respects of financial liabilities measured at amortized cost and analysis of their maturity profiles.				

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
15	**PROVISIONS**				
	For employee benefits	12.31	13.42	0.34	0.55
	TOTAL-PROVISIONS	**12.31**	**13.42**	**0.34**	**0.55**

(₹ in Crore)

NOTE	DESCRIPTION	NON-CURRENT		CURRENT	
		As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
16	**OTHER LIABILITIES**				
	Advance from customers	-	-	120.90	167.77
	Deferred Revenue	284.16	111.70	12.63	4.74
	Other financial Liabilities*	65.19	-	141.72	304.92
	TOTAL-OTHER LIABILITIES	**349.35**	**111.70**	**275.25**	**477.43**
	*Includes statutory dues				

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
17	**CURRENT BORROWINGS SECURED***		
	Working capital facilities from bank	**663.69**	**1,198.72**
	Buyer's Credit in foreign currency –against working capital	**387.82**	**798.85**
	TOTAL-CURRENT BORROWINGS	**1,051.51**	**1,997.57**
	UNSECURED		
	Inter corporate deposits from related party	-	0.18
	TOTAL - UNSECURED	**-**	**0.18**
	TOTAL - CURRENT BORROWINGS	**1,051.51**	**1,997.75**

* Working capital facilities including Buyer's credit facility are secured by way of hypothecation and/or pledge of current assets namely finished goods, raw material, work in progress, consumable stores and spares, book debts, bill receivable and by way of second charge in respect of other moveable and immoveable properties of the Company.

*Working capital facility amounting to ₹ Nil (previous year ₹133.47 crores), obtained by subsidiary PT. Jindal Stainless Indonesia is collateralized by inventories and accounts receivable and letter of comfort/undertaking for non disposing of equity investment in PT. Jindal Stainless Indonesia by Holding Company and further ₹193.54 crores (previous year ₹77.59 crores) is collateralized by inventories and accounts receivable.

* Working capital facility from bank amounting to ₹ 368.23 crore (previous year ₹ 887.32 crore) and Working Capital Buyers Credit amounting to ₹ 371.98 crore (previous year ₹ 782.63 crore) are also secured by additional securities as mentioned in note 30 (III).

(₹ in Crore)

NOTE	DESCRIPTION	As at 31 March 2018	As at 31 March 2017
18	**TRADE PAYBLES**		
	Trade paybles (including acceptances)	2,113.43	1,862.97
	Micro and Small enterprises (Refer note 32)	19.09	1.94
	TOTAL-TRADE PAYABLES	**2,132.52**	**1,864.91**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
19	**REVENUE FROM OPERATIONS**		
(a)	**SALE OF PRODUCTS**		
	Manufactured goods [net of discounts of ₹ 96.78 crores (previous year ₹ 53.15 crores)]	10,665.64	9,087.39
	Trading goods	661.33	146.76
		11,326.94	**9,234.15**
(b)	**SALE OF SERVICES**		
	Consultancy	9.29	27.80
	Job Charges received	281.23	525.68
	Business Support Services	49.14	-
(c)		**339.66**	**553.48**
	OTHER OPERATING REVENUE		
	Export benefits	100.68	98.82
	Sale of gases	0.30	0.94
	Liability no longer required written back	28.75	15.29
	Others	20.50	22.10
		150.23	**137.15**
	TOTAL-REVENUE FROM OPERATION	**11,816.86**	**9,924.78**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
20	**OTHER INCOME**		
(a)	**INTEREST INCOME ON**		
	Investments	4.07	0.38
	Fixed deposits and other receivables	1.68	5.78
	Trade receivables (Net of provisions ₹ 6.80 crores (previous year ₹ 6.41 crores)]	4.49	3.68
	Income tax refund	1.94	7.69
	Others	3.57	2.32
		15.75	**19.85**
(b)	**DIVIDEND INCOME FROM CURRENT INVESTMENT**		
	₹ 9,561 (previous year ₹ 10,000)	**-**	**-**
(c)	**NET GAIN ON SALE OF CURRENT INVESTMENT**		
	Gain on sale	0.01	0.01
		0.01	**0.01**
(d)	**OTHER NON-OPERATING INCOME(NET)**		
	Insurance claim received	13.32	0.06
	Others	16.00	5.77
		29.32	**5.83**
	TOTAL-OTHER INCOME	**45.08**	**25.69**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
21	**CHANGE IN INVENTORIES OF FINISHED GOODS, WORKS IN PROGRESS AND STOCK –IN – TRADE**		
	OPENING STOCK		
	Finished goods	853.14	894.16
	Work in progress	710.19	463.16
	Stock –in- trade	1.37	1.97
	TOTAL OPENING STOCK	**1,564.70**	**1,359.29**
	CLOSING STOCK		
	Finished goods	656.83	853.14
	Work in progress	623.66	710.19
	Stock –in- trade	60.93	1.37
	TOTAL CLOSING STOCK	**1,341.42**	**1,564.70**
	Excise duty on account of increase/(decrease) in stock of finished products	**(82.05)**	**(0.09)**
	TOTAL – CHANGES IN INVENTORIES	**141.23**	**(205.50)**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
22	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages, bonus and other benefits	180.14	142.08
	Contribution to provident and other funds	5.46	4.33
	Staffs welfare expenses	10.68	7.64
	TOTAL – EMPLOYEE BENEFITS EXPENSE	**196.28**	**154.05**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
23	**FINANCE COSTS**		
	Interest expenses [net of interest refund ₹ 109.07 crores from banks, Previous year: net of interest reimbursement from associates of ₹ 236.74 crores]	522.35	740.36
	Other borrowing costs	43.71	47.52
	TOTAL –FINANCE COSTS	**566.06**	**787.88**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
24	**DEPRICIATION AND AMORTISATION EXPENSES**		
	Depreciation on property, plant and equipment	309.93	315.73
	Amortisation of intangible assets	10.10	9.48
	TOTAL-DEPRICIATION AND AMORTISATION EXPENSES	**320.03**	**325.21**

(₹ in Crore)

NOTE	DESCRIPTION	For the year ended 31 March 2018	For the year ended 31 March 2017
25	**OTHER EXPENSES**		
(a)	**MANUFACTURING EXPENSES**		
	Consumption of stores and spare parts	594.54	458.33
	Power and fuel	690.42	565.02
	Labour processing and transportation Charges	130.65	112.51
	Repairs to building	12.57	8.12
	Repairs to plant and machinery	29.44	20.79
	Job work expenses	544.34	537.59
	Others manufacturing expenses	167.83	176.13
	Loss on sale/discard of property, plant and equipment	2.30	0.24
		2,172.69	**1,878.73**
(b)	**ADMINISTRATIVE EXPENSES**		
	Insurance	10.17	9.50
	Rent	6.06	6.68
	Lease rent	1.25	2.05
	Rates and Taxes	9.97	11.56
	Legal and professional	71.34	37.47
	Communication	2.92	2.75
	Printing and stationary	5.01	1.60
	Travelling and Conveyance	5.12	3.87
	Director's meeting fees	0.18	0.07
	Vehicle upkeep and maintenance	9.41	6.20
	Auditor's Remuneration	0.62	0.70
	Miscellaneous Expenses	19.70	14.87
		141.75	**97.32**
(c)	**SELLING EXPENSES**		
	Freight and forwarding Expenses	212.92	180.93
	Commission on Sales	26.64	22.14
	Others Selling Expenses	28.48	33.29
	Allowance for expected Credit losses	9.73	4.88
	Bad debts written off	5.58	6.24
	Advertisement and publicity	1.61	1.65
		284.96	249.13
	TOTAL- OTHER EXPENSES	**2,599.40**	**2,225.18**

26. Composite Scheme of arrangement

i. Composite Scheme of Arrangement (hereinafter referred to as the 'scheme') amongst the company (transferor company) and its three wholly owned subsidiaries, namely, Jindal Stainless (Hisar) Limited (JSHL), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) (resulting companies) under the provisions of Sections 391-394 read with Sections 100-103 of the companies Act, 1956 and other relevant provisions of Companies Act, 1956 and / or Companies Act, 2013 has been sanctioned by the Hon'ble High Court of Punjab & Haryana, Chandigarh vide its Order dated 21 September 2015, amended vide order dated 12 October 2015.

Section I and Section II of the Scheme became effective on 1 November 2015, operative from the appointed date i.e. close of business hours before midnight of 31 March 2014. Section III and Section IV of the Scheme became effective on 24 September 2016 (i.e. on receipts of approvals from the Orissa Industrial Infrastructure Development Corporation (OIIDCO) for the transfer/grant of the right to use of the land on which Hot Strip Mill (HSM) Plant and Coke Oven Plants are located to JUSL and JCL, respectively as specified in the Scheme), operative from the appointed date i.e. close of business hours before midnight of 31 March 2015.

ii. Pursuant to the Section III and Section IV of the Scheme becoming effective:

a. Business undertaking 2, comprising, inter alia, of the HSM Plant of the Company, has been transferred to JUSL at a lump sum consideration of ₹ 2,412.67 crores; out of this ₹ 2,150.00 crore has been received, and against the balance amount of ₹ 262.67 crores, JUSL is to issue and allot to the company:

- 175,000,000 0.01% non-cumulative compulsorily convertible preference shares (CCPS) having face value of ₹ 10 each during the year ended 31 March 2017 43,868,919 CCPS were allotted to the company and converted into equal number of equity shares of ₹ 10 each as fully paid at par and the balance 131,131,081 CCPS have been presented as " Investment in 0.01% non-cumulative compulsorily convertible preference shares pending allotment " (Refer note 3) , and

- 87,673,311 10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each, which have been allotted to the company.

b. Business undertaking 3, comprising, inter alia, of the Coke Oven plant of the company, has been transferred to JCL at a lump sum consideration of ₹ 492.65 crores; out of this ₹ 375.00 crore has been received and against the balance amount of ₹ 117.65 crores, JCL to issue and allot to the company.

- 26,000,000 0.01% non-cumulative CCPS having face value of ₹ 10 each [during the year ended 31 March 2017 8,382,432 CCPS were allotted to the company and converted into equal number of equity shares of ₹ 10 each fully paid at par and the balance 17,617,568 CCPS have been presented as "Investment in 0.01% non-cumulative compulsorily convertible preference shares pending allotment" (Refer note 3)],

- 91,647,073 10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each, which have been allotted to the company.

c. Post section III and section IV of the Scheme becoming effective, as per the Scheme, the company is continuing to operate the business on behalf of JCL and JUSL in trust in so far as may be necessary until all rights, licenses and permits stand fully devolved to and in favour of the resulting companies (JCL and JUSL). Accordingly, the revenue and expenses in this regard for year ended 31 March 2018 have been excluded from statement of profit and loss the transactions entered undertaken on behalf of such companies are recognized in company's books as inter-company balances.

27. Contingent Liabilities

(₹ in Crore)

		As at 31 March 2018	As at 31 March 2017
A.	**Demands from statutory and regulatory authorities**		
a)	i) Sales tax, value added tax and entry tax*	141.77	148.95
	ii) Excise duty, custom duty and service tax	39.08	100.60
	iii) Income tax	48.48	46.82
b)	i) Claims against the Company not acknowledged as debt (disputed demand of electricity).	-	55.34
	ii) Demand from office of the Dy. Director of Mines, Jaipur Road Circle, Odisha on account of minning of excess quantity of chrome ore over and above the approved quantity under minning plan/scheme	85.40	85.40
	iii) Royalty under the Mines and Minerals (Development and Regulation) Act, 1957, rural infrastructure and socio-economic development tax under the Odisha Rural Infrastructure and Socio-Economic Development Act, 2004 and water tax under the Odisha Irrigation Act, 1959.	6.91	6.54
B.	Letter of Comfort to banks against credit credit facilities / financial assistance availed by subsidiaries.	-	51.73
C.	Corporate guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless (Hisar) Limited- amount for facilities outstanding (read with note 26)	2,798.36	3,392.78

*The Company had challenged the legality of Orissa Entry Tax Act, 1999 before the Hon'ble Supreme Court. In accordance with the order dated 09 October 2017 of Divisional bench of the Hon'ble Supreme Court read with the order dated 11 November 2016 of 9 judge bench of Hon'ble Supreme Court, the company has filed revival petition before the Hon'ble High court of Orissa on ground of discrimination under article 304(a), as per the direction of the Hon'ble Supreme Court. Liablity in this regard has been provided for. However, interest/penalty (if any) has been stayed by Hon'ble High Court of Orissa in three separate writ petitions filed by the Company on the issue exclusively on the legality of imposing interest under the Orissa Entry Tax Act, 1999, and therefore, liability, if any, in this regard will be recognized when this matter is finally settled / determined by the Hon'ble High Court of Orissa.

28. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 161.29 crores (previous year ₹ 129.73 crores).

29. Exceptional items include:

i) Provision for recompense liability payable to CDR lenders: 27.50 crores (previous year: Nil) (Refer note 30).

ii) Gain (net) of ₹ 39.54 crores (previous year: gain (net) of ₹ 32.96 crores) on translation/settlement of foreign currency monetary items.

iii) Loss (net) of ₹ 1.70 crores (previous year: gain (net) of ₹ 0.12 crore) on fair valuation and settlement of derivative contracts.

iv) Provision for diminution in value of investment in Jindal Stainless Italy in the books of Jindal Stainless UK Ltd ₹ Nil (previous year: ₹0.01 crores).

v) Amortisation of debit balance in foreign currency monetary item translation difference account of ₹ 5.90 crores (previous year: ₹ 7.23 crores).

30. Corporate Debt Restructuring (CDR)

I. Pursuant to the approval of reworked CDR package ("Rework Scheme) in September 2012 and execution of Amended and Restated Master Restructuring Agreement ("Amended MRA"), the long term financial obligations to the CDR lenders were reworked including reworking of repayment schedule, creation of Funded Interest Term Loan (FITL, II) for certain facilities, adjustment in interest rates, etc.

II. In accordance with CDR Empowered Group (EG) approval vide letter dated 26 December 2014, during the year ended 31 March 2018, the Company has allotted 60,570,320 equity shares of face value of ₹ 2 each and 142,830,637 0.01%. Optionally Convertible Redeemable Preference Shares (OCRPS) of face value of ₹ 2 each, both at a premium of ₹ 37.10 per share on conversion of funded interest term loan I and II.

As per the terms of the OCRPS, these are redeemable at the option of the Company, anytime upto 31 October 2020. If these are not redeemed by then, the CDR lenders have an option to convert these into equal number of equity shares of the Company anytime upto 31 March 2022. If neither of these options are exercised, these are redeemable on 1st April 2022. If redeemed, the Company shall be obligated to pay or recompense amount upto the Date of redemption.

III. The credit facilities/ loans under the Rework Scheme are also secured by:

a. Unconditional and irrevocable personal guarantee of CMD Mr. Ratan Jindal;
b. Unconditional and irrevocable corporate guarantee of promoter group companies in proportion to the number and to the extent equity shares pledged by each promoter group company;
c. Unconditional and irrevocable corporate guarantee of Jindal Stainless (Hisar) Limited.
d. Pari passu pledge of 183,832,727 equity shares held in the Company by promoters.
e. Pledge over shares of the subsidiaries / associates as listed below:
   - PT. Jindal Stainless Indonesia
   - Jindal Stainless UK Limited
   - JSL, Stainless FZE
   - JSL, Group Holdings Pte. Limited
   - Iberjindal S.L.
   - Jindal Coke Limited
   - Jindal United Steel Limited

IV. Since the financial performance of the company during the current and previous financial year was better than the projections as per the approved CDR package, during the current year ended 31 March 2018, the company has initiated negotiations with the CDR lenders for voluntary exist from CDR scheme. The exit from CDR mechanism is subject to approval by the respective banks and / or the CDR EG. CDR exit will lead to greater operational and financial flexibility for the company so that it can go ahead with its growth plans.

V. The Amended MRA as well as the Master Circulars on Corporate Debt Restructuring issued by the Reserve Bank of India, gives a right to the CDR lenders to get the recompense of their waivers and sacrifice made as a part of CDR proposal. The total amount of recompense computed by the Company in accordance with Master Circulars on Corporate Depth restructuring amounts to ₹ 49.70 crores which is subject to final confirmation /reconciliation with individual venders (read with note 29(i)).

31. There are no overdue financial obligation to any banks/ financial institutions as on 31 march 2018 (as on 31 march 2 017: ₹ 266.68 crores to 30 lenders, overdue upto 60 days).

32. Based on the intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the required disclosure is given below (to the extent information available with the Company):

(₹ in Crore)

Sl.No.	Particulars	As at 31 March 2018	As at 31 March 2017
1	Principal amount due outstanding	19.09	1.94
2	Interest due on (1) above and unpaid	-	-
3	Interest paid to the supplier	-	-
4	Payment made to the supplier beyond the appointed day during the year	-	-
5	Interest due and payble for the period of delay	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payble in succeeding year.	-	-

33. Derivative contracts entered into by the Group and outstanding as on 31 March 2018 for hedging foreign currency risks.

Nature of Derivative	Type	As at 31 March 2018		As at 31 March 2017	
		No. of Contracts	Foreign Currency (Million)	No. of Contracts	Foreign Currency (Million)
Forward Covers					
USD/INR	Sell	73	$ 202.05	8	$ 12.14
EURO/USD	Sell	32	€ 69.72	26	€ 55.87
USD/INR	Buy	217	$ 145.46	214	$ 131.71
USD/INR(ECB and Interest)	Buy	-	-	5	$ 8.63

34. In Compliance with Ind AS-18 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the reported revenue for the period upto 30 June 2017 is inclusive of Excise duty. Goods and Service tax (GST) is made applicable w.e.f. 1 July 2017 and as per Ind AS-18, revenue for the period from 1 July 2017 to 31 March 2018 is net of GST.

35. Employee Benefits

A. Defined Contribution plans

The amount recognised as expense towards contribution to defined contribution plan for the year is as below:

(₹ in Crore)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Company's contributions to Provident Fund	4.69	3.62
Company's contributions to Employee's State Insurance Scheme	0.29	0.13
Total	**4.98**	**3.75**

B. Defined Benefit plan - Gratuity

I. Movement in the present value of defined benefit obligation recognized in the balance sheet

(₹ in Crore)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Present value of defined benefit obligation as at the start of the year	12.37	11.13
Transfer in/ out of employees between group companies	(0.13)	(0.22)
Current service cost	1.98	1.81
Past service cost	0.17	-
Interest cost	0.93	0.89
Benefits paid	(1.18)	(0.97)
Foreign exchange gain / loss	(0.09)	(0.15)
Actuarial (gain)/ loss arising from Changes in financial assumptions	0.09	0.51
Actuarial (gain)/loss arising from experience adjustments	1.53	(0.63)
Present value of defined benefit obligation as at the end of the year	**15.67**	**12.37**

II. Movement in the plan assets recognised in the balance sheet

(₹ in Crore)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Fair value of plan assets at the beginning of the year	2.89	3.36
Expected Interest income	0.22	0.27
Employer contributions	6.54	-
Benefits paid	(1.01)	(0.74)
Fair value of plan assets at the end of the year	**8.64**	**2.89**
Present value of defined benefit obligation	8.02	6.35
Net funded status of plan-assets /(obligation)	**0.62**	**(3.46)**
Actual return on plan assets	0.31	0.25

The Company's plan assets primarily comprise of qualifying insurance policies issued by Life Insurance Corporations of India amounting to ₹8.71 crores (previous year ₹ 2.87 crores) for group gratuity scheme of the Company.

III. Amount recognized in the statement of profit and loss is as under:

(₹ in Crore)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Current service Cost	1.98	1.81
Past Service Cost	0.17	-
Net interest Cost	0.71	0.62
Amount recognized in the statement of profit and loss	**2.86**	**2.43**

IV. Break-up of remeasurement of net defined benefit liability/asset:

(₹ in Crore)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Actuarial (gain)/ loss arising from changes in financial assumptions	0.09	0.51
Actuarial (gain)/ loss arising from experience adjustments	1.53	(0.63)
Return on plan assets excluding amounts included in net interest on net defined benefit liability(asset)	(0.09)	0.02
Total remeasurement of net defined benefit liability/ asset	**1.53**	**(0.10)**

V. The principle actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

(₹ in Crore)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Discount rate	7.80% p.a.	7.54% p.a.
Expected rate of increase in salary	5.50% p.a.	5.50 % p.a.
Mortality rate (inclusive of provision of disability)	100% of IALM (2006-08)	100% of IALM (2006-08)
Expected average remaining working lives of employees (years)	**23.89**	**24.40**

The assumptions of discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of liabilities. Future salary increase rate takes into account the inflation, seniority, promotion and other relevant factors on long term basis. Same assumptions were considered for comparative period i.e. 2016-17 as reported.

VI. Sensitivity analysis for gratuity liability

(₹ in Crore)

Particulars	Changes in Assumption	Year ended 31 March 2018	Year ended 31 March 2017
Discount rate-Loss/ (gain)	+0.5%	(3.93)	(3.23)
	-0.5%	4.65	3.85
Salary growth rate- Loss/ (gain)	+0.5%	4.66	3.86
	-0.5%	(3.94)	(3.24)

Sensitivity due to morality and withdrawals are not material and hence impact of change in assumptions therefore is not calculated.

The above sensitivity analysis is based on a change in an assumption while holding all other assumption constant. In practice, this in unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions, the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized with in the Balance Sheet.

VII. Estimate of expected benefit payments (in absolute terms i.e. undiscounted)

(₹ in Crore)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Within next 12 months	0.20	0.24
Between 1-5 years	0.77	0.50
Beyond 5 years	7.05	5.61

The Company expects to contribute ₹ 1.34 crores (previous year ₹ 1.58 crores) to its gratuity plan for the next year.

36. On 28 July 2010, the Company granted 3,577,500 stock options to eligible employees of the Company, its subsidiaries including non-executive directors (excluding Nominee Directors), as per Employees Stock Option Scheme, 2010 (ESOP 2010). The exercise price of stock options is **₹ 75 per share** which would gradually vest over a maximum period of 4 years from the date of grant based on specified criteria, as may be decided by the Compensations Committee.

Salient features of the grants are as under:

Particulars	Grant I (granted on 28 July 2010)
Vesting Schedule	Options will vest from the date of grant based on the performance conditions mentioned below in the following ratio:

Vesting Schedule	On 28 July 2011	On 28 July 2012	On 28 July 2013	On 28 July 2014
Eligibility*	0%	30%	30%	40%

*Maximum percentage of options that can vest

Performance Conditions	Performance Matrix

Performance rating attained**	Percentage of options that would vest
A+	100%
A	75%
B	50%

**Based on achievement of the annual targets set by the management at the beginning of the year.

Exercise period	Not more than 3 Years from the date of vesting.

Pursuant to 1st Vesting @ 30% of ESOP outstanding on 28 july 2012, 534,771 ESOPs were vested to eligible employees based on performance rating and 150,000 fresh ESOPs were granted to the employees of the company on 28 July 2012. Pursuant to 2nd vesting @30% of ESOP outstanding on 28 July 2013, 426,024 ESOPs were vested to eligible employees based on performance rating. Pursuant to 3rd Vesting @ 40% of ESOP outstanding on 28 July 2014, 560,625 ESOPs were vested to eligible employees based on performance rating including employees transferred pursuant to the Scheme (refer note 27).

In terms of the Composite Scheme of Arrangement between the Company and others, as approved by the Hon'ble High Court of Punjab and Haryana, the employees engaged in Demerged Undertakings, Business Undertakings 1,2 and 3 who were transferred as a part of the Scheme to Resulting Company i.e JSHL or Transferee Company 2 i.e. JUSL or Transferee Company 3 i.e. JCL, shall continue to remain entitled to exercise their rights to the stock options granted and vested but have not been exercised as on the Record Date. Further the stock options granted by the company to such employees which have been granted but have not vested as of the Effective Date 1 or effective Date 2 (as defined in the Scheme), as the case may be, shall lapse automatically without any further act on the part of the Company. Furthermore, the exercise price of the stock options, in respect of the employees engaged in the Demerged Undertakings and transferred to the Resulting Company i.e. JSHL shall be reduced in the same proportion as the assets of the Demerged Undertakings bear to the total assets of the Company immediately prior to the Appointed Date 1.

Set out below is a summary of options granted under the plan:

Particulars	31 March 2018	31 March 2017
Opening Balance	422,875	833,581
Exercised during the year	-	-
Granted during the year	-	-
Lapsed during the year	422,875	410,706
Closing Balance	-	422,875

37. Leases - assets taken on lease

Finance lease as a lessee

The Company has taken land parcels on finance lease for periods of 83-90 years. A reconciliation between the total of future minimum lease payments and their present value is given below:

(₹ in Crore)

Particulars	Due as on 31 March 2018 and Payable			
	Within one Year	After one year but not more than five years	After more than five years	Total
Minimum Lease payments	0.60	2.39	39.36	42.34
Finance charges	0.60	2.38	33.72	36.69
Net present values	**0.00**	**0.01**	**5.64**	**5.65**

(₹ in Crore)

Particulars	Due as on 31 March 2017 and Payable			
	Within one Year	After one year but not more than five years	After more than five years	Total
Minimum Lease payments	0.60	2.39	39.95	42.94
Finance Charges	0.60	2.38	34.31	37.29
Net Present Values	**0.00**	**0.01**	**5.64**	**5.65**

Operating lease as a lessor

The Company has entered into sub-lease agreement for certain land with lease term of 30 years. The lease term can be extended with mutual consent of the Company and the lessor. Minimum lease payments receivable under the operating lease is as below:

(₹ in Crore)

Particulars	31 March 2018	31 March 2017
Within one year	0.18	0.18
After one year but not more than five years	0.72	0.72
More than five years	4.34	4.52
Total	**5.24**	**5.42**

Operating lease as a lessee

The agreement for warehouses is on non- cancellable basis for a period of 3-5 years. Future minimum rentals payable under non-cancellable operating leases are as follows:

(₹ in Crore)

Particulars	31 March 2018	31 March 2017
Within one year	1.32	1.42
After one year but not more than five years	1.79	2.89
More than five years	-	-
Total	**3.11**	**4.31**

38. Operating Segments

In accordance with IND AS 108, the Board of Directors, being the Chief operating decision maker of the Group has determined "Stainless steel products" as the only operating segment. Further in terms of paragraph 31 of IND AS 108, entity wide disclosures have been presented below:

Information about geographical areas

(₹ in Crore)

Description	2017-18			2016-17		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from operations	8,219.89	3,561.36	**11,781.25**	6,512.49	3,393.52	**9,906.01**
Non current assets	6,320.31	267.67	**6,587.98**	6,449.99	216.95	**6,666.94**

39. Earnings per share (EPS)

(₹ in Crore)

Particulars	Year ended 31 March 2018		Year ended 31 March 2017	
	No. of shares	*Amount*	*No. of shares*	*Amount*
Profit for the year (₹ crores) and weighted average number of equity shares outstanding during the year	451,123,249	342.97	356,591,834	81.57
Basic EPS (in ₹)		**7.60**		**2.29**
Effect of dilution (amount in ₹ crores and corresponding weighted average number of potential equity shares):				
Compulsorily convertible warrants	18,971,377	-	**-**	**-**
Interest on OCRPS issued towards conversion of FITL I and II (Refer note 30)	121,308,212	32.91	-	-
Interest on FITL, I and II prior to conversion	30,649,459	9.72	-	-
Profit for the year (₹ crores) and weighted average no. of equity shares outstanding during the year after the effect of dilution	622,052,297	385.60	356,591,834	81.57
Diluted EPS (in ₹) *		**6.20**		**2.29**

*228,882,940 potential equity shares outstanding during the year ended 31 March 2017 were not included in the calculation of diluted EPS because they were anti-dilutive.

40. Related party disclosures

1. Relationships

a) Key management personnel (KMP)

S.No	Name	Designation
1	Mr. Ratan Jindal	Chairman and Managing Director
2	Mr. Abhyuday Jindal	Vice Chairman (Appointed w.e.f. 9 August 2017)
3	Mr. S. Bhattacharya	Whole Time Director
4	Mr. Sunil Yadav	Company Secretary (Appointed w.e.f. 28 September 2017)
5	Mr. Raajesh Kumar Gupta	Company Secretary (Ceased to be Company Secretary w.e.f. 31 March 2017)
6	Mr. Ashish Gupta	Chief Financial Officer (Ceased to be Chief Financial Officer w.e.f. 6 February 2017)
7	Mr. Anurag Mantri	Chief Financial Officer (Appointed w.e.f. 7 February2017)
8	Mr. Gautam Kanjilal	Nominee Director
9	Mr. Suman Jyoti Khaitan	Independent Director
10	Mr. T.S Bhattacharya	Independent Director
11	Ms. Ishani Chattopadhyay	Independent Director (Ceased to be Director w.e.f. 9 May 2017)
12	Mr. Girish Sharma	Independent Director (Ceased to be Director w.e.f. 26 April 2016)
13	Ms. Bhaswati Mukherjee	Independent Director (Appointed w.e.f. 15 July 2017)
14	Mr. K.J. S Thind	Independent Director (Appointed w.e.f 11 May 2017, ceased to be Director w.e.f. 26 September 2017)
15	Dr. Rajeev Uberoi	Independent Director (Appointed w.e.f. 9 February 2018)

b) Associates

Sl.No	Name of the entity	Principal place of operation/ country of incorporation	Principal activities/ nature of business	%Shareholding/ Voting power	
				As at 31March 2018	As at 31March 2017
1	Jindal Stainless Corporate Management Service Private Limited	India	Management services	50%	50%
2	Jindal United Steel Limited	India	Stainless Steel manufacturing	26%	26%
3	Jindal Coke Limited	India	Coke Manufacturing	26%	26%

c) Entity exercising significant influence on the Company

Sl.No	Name of the entity	Principal place of operation/ country of incorporation	Principal activities/ nature of business
1	Jindal Stainless (Hisar) Limited (JSHL)	India	Stainless Steel manufacturing

d) Subsidiaries of entity exercising significant influence on the Company

Sl.No	Name of the entity	Principal place of operation/ country of incorporation	Principal activities/ nature of business
1	JSL Lifestyle Limited	India	Stainless Steel Consumer Products
2	JSL Logistics Limited	India	Logistic
3	Jindal Stainless Steelways Limited	India	Stainless Steel manufacturing
4	J.S.S Steelitalia Limited	India	Stainless Steel manufacturing

e) Enterprises over which KMP and their relatives exercise significant influence

Sl.No	Name of the entity	Principal place of operation/ country of incorporation	Principal activities/ nature of business
1	Ardour Noble Limited	UK	Bookkeeping activities

f) Post –employment benefit plan for the benefit of employees of the Company

S.No	Name of the entity	Principal place of operation/ country of incorporation	Principal activities/ nature of business
1	Jindal Stainless Limited Group Gratutiy Fund	India	Company's employee gratuity trust

II Transactions with related Parties during the year and balance as the balance sheet date

(₹ in Crore)

S. No	Particulars	Year ended and as at 31 March 2018				Year ended and as at 31 March 2017					
		Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Associates	Joint Venture	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	Enterprises over which KMP and their relatives exercise significant influence	KMP
1	**Purchase of goods**	**181.45**	**1,028.70**	**2.62**	**-**	**156.79**	**-**	**506.04**	**0.52**	**-**	**-**
	Jindal Stainless Steelways Limited	-	-	1.56	-	-	-	-	0.51	-	-
	Jindal Coke Limited	175.67	-	-	-	156.79	-	-	-	-	-
	Jindal Stainless (Hisar) Limited	-	1,028.70	-	-	-	-	506.04	-	-	-
	JSL Lifestyle Limited	-		1.06	-	-	-	-	0.01	-	-
	Jindal United Steel Limited	5.78	-	-	-	-	-	-	-	-	-
2	**Job work charges paid**	**545.73**	**0.21**	**49.60**	**-**	**474.34**	**-**	**9.20**	**26.90**	**-**	**-**
	Jindal Stainless (Hisar) Limited	-	0.21	-	-	-	-	9.20	-	-	-
	Jindal Stainless Steelways Limited	-	-	49.60	-	-	-	-	26.90	-	-
	Jindal United Steel Limited	545.73	-	-	-	474.34	-	-	-	-	-
3	**Job work charges received**	**-**	**43.16**	**-**	**-**	**-**	**-**	**77.07**	**0.66**	**-**	**-**
	Jindal Stainless (Hisar) Limited	-	43.16	-	-	-	-	77.07	-	-	-
	Jindal Stainless Steelways Limited	-	-	-	-	-	-	-	0.66	-	-
4	**Sale of goods**	**695.68**	**1,191.91**	**1,052.42**	**-**	**103.40**	**-**	**562.31**	**581.25**	**-**	**-**
	Jindal Stainless Steelways Limited	-	-	1,037.89	-	-	-	-	566.05	-	-
	Jindal Stainless (Hisar) Limited	-	1,191.91	-	-	-	-	562.31	-	-	-
	JSL Lifestyle Limited	-	-	2.28	-	-	-	-	1.95	-	-
	Jindal Coke Limited	431.44	-	-	-	16.47	-	-	-	-	-
	Jindal United Steel Limited	264.24	-	-	-	86.93	-	-	-	-	-
	J.S.S Steelitalia Limited	-	-	12.25	-	-	-	-	13.25	-	-
5	**Sale of fixed assets**	**0.05**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Jindal Stainless Corporate Management Services Private Limited	0.05	-	-	-	-	-		-	-	-
6	**Business support services**	**-**	**-**	**8.49**	**-**	**-**	**-**	**-**	**4.74**	**-**	**-**
	Jindal Stainless Steelways Limited	-	-	8.49	-	-	-	-	4.74	-	-

II Transactions with related Parties during the year and balance as the balance sheet date

(₹ in Crore)

S. No	Particulars	Year ended and as at 31 March 2018				Year ended and as at 31 March 2017					
		Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Associates	Joint Venture	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	Enterprises over which KMP and their relatives exercise significant influence	KMP
7	**Quality claim paid**	**-**	**0.29**	**0.73**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Jindal Stainless Steelways Limited	-	-	0.73	-	-	-	-	-	-	-
	Jindal Stainless (Hisar) Limited	-	0.29	-	-	-	-	-	-	-	-
8	**Rent received**	**0.96**	**0.58**	**-**	**-**	**0.94**	**-**	**0.50**	**-**	**-**	**-**
	Jindal Stainless (Hisar) Limited	-	0.58	-	-	-	-	0.50	-	-	-
	Jindal Stainless Corporate Management Services Private Limited	0.96	-	-	-	0.94	-	-	-	-	-
9	**Rent paid**	**-**	**0.53**	**0.60**	**-**	**-**	**-**	**0.52**	**0.37**	**-**	**-**
	Jindal Stainless (Hisar) Limited	-	0.53	-	-	-	-	0.52	-	-	-
	Jindal Stainless Steelways Limited	-	-	0.60	-	-	-	-	0.36	-	-
	JSL Lifestyle Limited	-	-	-	-	-	-	-	0.01	-	-
10	**Freight charges paid**	**-**	**-**	**0.97**	**-**	**-**	**-**	**-**	**0.24**	**-**	**-**
	JSL Logistic Limited	-	-	0.97	-	-	-	-	0.24	-	-
11	**Interest received**	**-**	**-**	**0.57**	**-**	**236.74**	**-**	**-**	**0.80**	**-**	**-**
	J.S.S Steelitalia Limited	-	-	-	-	-	-	-	0.10	-	-
	Jindal Stainless Steelways Limited	-	-	0.57	-	-	-	-	0.70	-	-
	Jindal Coke Limited	-	-	-	-	23.63	-	-	-	-	-
	Jindal United Steel Limited	-	-	-	-	213.11	-	-	-	-	-
12	**Commission Received on Sales**	**-**	**9.29**	**-**	**-**	**-**	**-**	**8.64**	**-**	**-**	**-**
	Jindal Stainless (Hisar) Limited	-	9.29	-	-	-	-	8.64	-	-	-
13	**Interest Paid**	**-**	**103.90**	**-**	**-**	**-**	**-**	**43.70**	**-**	**-**	**-**
	Jindal Stainless (Hisar) Limited	-	103.90	-	-	-	-	43.70	-	-	-

II Transactions with related Parties during the year and balance as the balance sheet date

(₹ in Crore)

S. No	Particulars	Year ended and as at 31 March 2018				Year ended and as at 31 March 2017					
		Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Associates	Joint Venture	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	Enterprises over which KMP and their relatives exercise significant influence	KMP
14	**Support Service Charges Paid**	**42.11**	**-**	**-**	**-**	**33.03**	**-**	**-**	**-**	**-**	**-**
	Jindal Stainless Corporate Management Services Private Limited	42.11	-	-	-	33.03	-	-	-	-	-
15	**Support Service Charges Received**	**44.82**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Jindal Coke Limited	8.87	-	-	-	-	-	-	-	-	-
	Jindal United Steel Limited	35.95	-	-	-	-	-	-	-	-	-
16	**Expenses incurred on behalf of Company and reimbursed**	**-**	**-**	**0.04**	**-**	**0.32**	**-**	**0.42**	**0.22**	**-**	**-**
	Jindal Stainless Corporate Management Services Private Limited	-	-	-	-	0.32	-	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	0.04	-	-	-	-	0.22	-	-
	Jindal Stainless (Hisar) Limited	-	-	-	-	-	-	0.42	-	-	-
17	**Expenses incurred by Company on behalf of**	**27.98**	**10.67**	**1.09**	**-**	**21.39**	**-**	**2.12**	**1.48**	**-**	**-**
	Jindal Coke Limited	5.48	-	-	-	4.44	-	-	-	-	-
	JSL Lifestyle Limited	-	-	0.28	-	-	-	-	0.22	-	-
	Jindal United Steel Limited	22.50	-	-	-	16.95	-	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	0.18	-	-	-	-	0.28	-	-
	JSL Logistic Limited	-	-	0.63	-	-	-	-	0.98	-	-
	Jindal Stainless (Hisar) Limited	-	10.67	-	-	-	-	2.12	-	-	-
18	**Remuneration**	**-**	**-**	**-**	**21.59**	**-**	**-**	**-**	**-**	**-**	**19.93**
	Mr. Ratan Jindal	-	-	-	16.64	-	-	-	-	-	15.04
	Mr. S. Bhattacharya	-	-	-	2.07	-	-	-	-	-	1.76
	Mr. Raajesh Kumar Gupta	-	-	-	-	-	-	-	-	-	0.46
	Mr. Sunil Yadav	-	-	-	0.17	-	-	-	-	-	-
	Mr. Ashish Gupta	-	-	-	-	-	-	-	-	-	0.65
	Mr. Anurag Mantri	-	-	-	2.03	-	-	-	-	-	0.22
	Mr. Abhuyuday Jindal	-	-	-	0.68	-	-	-	-	-	1.80

II Transactions with related Parties during the year and balance as the balance sheet date

(₹ in Crore)

S. No	Particulars	Year ended and as at 31 March 2018				Year ended and as at 31 March 2017					
		Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Associates	Joint Venture	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	Enterprises over which KMP and their relatives exercise significant influence	KMP
19	**Non Executive Director-Sitting fee**	**-**	**-**	**-**	**0.19**	**-**	**-**	**-**	**-**	**-**	**0.10**
	Mr. Gautam Kanjilal	-	-	-	0.04	-	-	-	-	-	0.03
	Mr. Suman Jyoti Khaitan	-	-	-	0.04	-	-	-	-	-	0.04
	Mr. T.S. Bhattacharya	-	-	-	0.04	-	-	-	-	-	0.02
	Mr. K.J.S. Thind	-	-	-	0.01	-	-	-	-	-	-
	Ms. Bhaswati Mukherjee	-	-	-	0.03	-	-	-	-	-	-
	Mr. Abhyuday Jindal	-	-	-	0.02	-	-	-	-	-	-
	Dr. Rajeev Uberoi	-	-	-	0.01	-	-	-	-	-	-
	Ms. Ishani Chattopadhyay	-	-	-	-	-	-	-	-	-	0.01
20	**Loans and advances taken**	**-**	**-**	**-**	**-**	**-**	**-**	**292.34**	**-**	**-**	**-**
	Jindal Stainless (Hisar) Limited	-	-	-	-	-	-	292.34	-	-	-
21	**Security deposits received**	**254.64**	**-**	**-**	**-**	**125.00**	**-**	**-**	**-**	**-**	**-**
	Jindal Coke Limited	50.00	-	-	-	125.00	-	-	-	-	-
	Jindal United Steel Limited	204.64	-	-	-	-	-	-	-	-	-
22	**Investments made (pursuant to Scheme of Arrangement)**	**-**	**-**	**-**	**-**	**380.32**	**-**	**-**	**-**	**-**	**-**
	Equity Shares converted from 0.01% Non-Cumulative Compulsorily Convertible Preference Shares in terms of Composite Scheme of Arrangement (Refer note 26)		-								
	Jindal Coke Limited	-	-	-	-	8.38	-	-	-	-	-
	Jindal United Steel Limited	-	-	-	-	43.87	-	-	-	-	-
	0.01% Non-Cumulative Compulsorily Convertible Preference Shares Pending Allotment in terms of Composite Scheme of Arrangement (Refer note 26)										
	Jindal Coke Limited	-	-	-	-	17.62	-	-	-	-	-
	Jindal United Steel Limited	-	-	-	-	131.13	-	-	-	-	-

II Transactions with related Parties during the year and balance as the balance sheet date

(₹ in Crore)

S. No	Particulars	Year ended and as at 31 March 2018				Year ended and as at 31 March 2017					
		Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Associates	Joint Venture	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	Enterprises over which KMP and their relatives exercise significant influence	KMP
	10% Non-Cumulative Non Convertible Redeemable Preference Shares, in terms of Composite Scheme of Arrangement (Refer note 26)										
	Jindal Coke Limited	-	-	-	-	91.65	-	-	-	-	-
	Jindal United Steel Limited	-	-	-	-	87.67	-	-	-	-	-
Balances outstanding as at balance sheet date											
23	**Corporate guarantee given**	**-**	**2,798.36**	**-**	**-**	**-**	**-**	**3,392.78**	**-**	**-**	**-**
	Jindal Stainless (Hisar) Limited	-	2,798.36	-	-	-	-	3,392.78	-	-	-
24	**Personal guarantee received**										
	Mr. Ratan Jindal	-	-	-	Refer Note 13 and 17	-	-	-	-	-	-
25	**Borrowings (Inter corporate deposits)**	**-**	**900.00**	**-**	**-**	**-**	**-**	**485.00**	**-**	**-**	**-**
	Jindal Stainless (Hisar) Limited	-	900.00		-	-	-	485.00	-	-	-
26	**Receivables**	**8.99**	**21.37**	**64.21**	**-**	**86.64**	**0.58**	**15.47**	**92.35**	**-**	**0.04**
	JSL Lifestyle Limited	-	-	-	-	-	-	-	3.51	-	-
	Amount Recoverable under Scheme-Jindal United Steel Limited	-	-	-	-	66.79	-	-	-	-	-
	Jindal United Steel Limited*	5.97	-	-	-	19.81	-	-	-	-	-
	Jindal Stainless Corporate Management Services Private Limited	3.02	-	-	-	0.04	-	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	46.21	-	-	-	-	78.89	-	-
	J.S.S. Steelitalia Limited	-	-	18.00	-	-	-	-	9.95	-	-
	Jindal Stainless (Hisar) Limited	-	21.37	-	-	-	-	15.47	-	-	-
	Ratan Jindal	-	-	-	-	-	-	-	-	-	0.04
	MJSJ Coal Limited	-	-	-	-	-	0.58	-	-	-	-

II Transactions with related Parties during the year and balance as the balance sheet date

(₹ in Crore)

S. No	Particulars	Year ended and as at 31 March 2018				Year ended and as at 31 March 2017					
		Associates	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	KMP	Associates	Joint Venture	Entity exercising significant influence on the Company	Subsidiaries of Entity exercising significant influence on the Company	Enterprises over which KMP and their relatives exercise significant influence	KMP
27	**Security Deposit Payable**	**379.64**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Jindal Coke Limited	175.00	-	-	-	-	-	-	-	-	-
	Jindal United Steel Limited (Received under Scheme)	204.64	-	-	-	-	-	-	-	-	-
28	**Payables**	**43.71**	**174.71**	**0.99**	**24.64**	**159.83**	**-**	**489.87**	**11.63**	**0.09**	**16.24**
	Jindal Coke Limited*	43.71	-	-	-	159.76	-	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	0.22	-	-	-	-	11.51	-	-
	Jindal Stainless Corporate Management Services Private Limited	-	-	-	-	0.07	-	-	-	-	-
	JSL Logistic Limited	-	-	0.07	-	-	-	-	0.12	-	-
	Jindal Stainless (Hisar) Limited	-	174.71	-	-	-	-	489.87	-	-	-
	JSL Lifestyle Limited	-	-	0.70	-	-	-	-	-	-	-
	Mr. Ratan Jindal	-	-	-	24.64	-	-	-	-	-	16.15
	Mr. P K Mehra	-	-	-	-	-	-	-	-	-	0.09
	Ardour Noble Limited	-	-	-	-	-	-	-	-	0.09	-

* Post section III and section IV of the Assets Monetization Cum Business Reorganisation Plan (Scheme) becoming effective, as per the Scheme the Company has operated the business on behalf of Jindal Coke Limited ("JCL") and Jindal United Steel Limited ("JUSL") upto 31 July 2017, in trust in so far as may be necessary until all rights, licenses/permits stand fully devolved to and in favour of the resulting companies (JCL and JUSL). Accordingly, the expenses in this regard for the period upto 31 July 2017 have been excluded from the above disclosure and the transcations entered undertaken on behalf of such companies are recognised in Company's books as inter-company balances.

41.

(₹ in Crore)

A.	Payments to statutory auditors	For the year ended 31 March 2018	For the year ended 31 March 2017
	As auditor (statutory audit and tax audit fee)	0.50	0.39
	For company law matters	0.06	0.17
	For other services	0.02	0.13
	For reimbursement of expenses	0.04	0.01
		0.62	**0.70**
B.	**Payments to cost auditors**		
	Audit fee	**0.02**	**0.04**
C.	**Remuneration paid to KMP is as below:**		
	Short- term employee benefit*	21.46	19.82
	Post employment benefits**	0.13	0.11
	Other Long-term benefits**	-	-
	Sitting fees	0.19	0.10
		21.78	**20.03**

*The company had filed requisite applications for obtaining the approval of the Central Government for payment of managerial remuneration to a director, the said application is in process; remuneration paid to such director is ₹ 5.33 crores for the period from 6 November 2015 to 31 March 2018 [(₹ 2.07 crores for the year ended 31 March 2018 (for the year ended 31 March 2017: ₹ 1.77 crores)]. Also, the Central Government has not approved the excess managerial remuneration paid amounting to ₹ 3.26 crores to erstwhile three directors, in earlier years, which is in process of recovery. The Company has recorded excess remuneration as recoverable in the books of account.

**Employee benefits expense on account of gratuity and compensated absences are estimated based on actuarial valuation for the company as a whole and hence cannot be identified separately for KMPs.

42. Additional Information, as required under Schedule III to the Companies Act, 2013

Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit /Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehe nsive Income	Amount
Parent Company								
Jindal Stainless Limited	95.05%	2,351.62	92.11%	318.26	(3.64%)	(0.57)	87.98%	317.69
Subsidiaries								
PT Jindal Stainless Indonesia	4.36%	107.81	3.58%	12.38	(3.18%)	(0.50)	3.29%	11.88
Jindal Stainless UK Limited	0.06%	1.39	(0.34%)	(1.17)	-	-	(0.32%)	(1.17)
Jindal Stainless FZE	1.15%	28.36	1.59%	5.48	-	-	1.52%	5.48
JSL Group Holdings Pte Limited	1.14%	28.18	(0.02%)	(0.08)	-	-	(0.02%)	(0.08)
Iberjindal S.L.	0.85%	21.00	2.09%	7.23	-	-	2.00%	7.23
Non-controlling interest in all subsidiaries	**0.36%**	**8.99**	**0.73%**	**2.53**	**-**	**-**	**0.70%**	**2.53**
Associates (Investment as per equity method)								
Jindal Coke Limited	1.68%	41.62	4.30%	14.86	103.43%	16.12	8.58%	30.98
Jindal United Steel Limited	3.15%	78.00	-	-	-	-	-	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.05%	1.21	0.26%	0.90	(1.31%)	(0.20)	0.19%	0.70
Consolidation Adjustments/Elimination	(7.83%)	(193.99)	(4.30%)	(14.89)	4.70%	0.73	(3.92%)	(14.16)
Total	**100.00%**	**2,474.19**	**100.00%**	**345.50**	**100.00%**	**15.58**	**100.00%**	**361.08**

43. Income taxes

The income tax expense consists of the following-

(₹ in Crore)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current tax	2.34	-
Deferred tax		
Relating to origination and reversal of temporary differences	164.28	32.47
Deferred tax expense pertaining to prior periods	7.42	-
Total tax expense	**174.04**	**32.47**

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)

Particular	Consolidated	
	For the year ended 31 March 2018	For the ended 31 March 2017
Profit before tax	519.54	115.51
Applicable tax rate for the Company	34.944%	34.608%
Expected income tax expense	181.54	39.97
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
(Income exempted from)/ Expenses not deductible in tax	(5.78)	0.44
Change in tax rates	(5.01)	(3.32)
Income taxable at different rate	(9.00)	-
Tax pertaining to prior years	7.42	-
Deferred tax not recognised on share of profit of associates	(5.51)	(3.97)
Others	10.38	(0.65)
Income tax expense	**174.04**	**32.47**

Components of net deferred tax assets and liabilities:

Significant components of net deferred tax assets and liabilities for the year ended 31 March 2018 are as follows: **(₹ in Crore)**

Particulars	Opening balance-deferred tax asset/ (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / Credit recognized in other comprehensive income	Closing balance-deferred tax asset / (liability)
Property, plant and equipment and intangible assets	(1,167.02)	(38.78)	-	(1,205.80)
Brought forward tax losses and unabsorbed depreciation	876.49	(54.66)	-	821.83
Items deductible on actual payment or settlement	345.14	(78.26)	0.47	267.35
MAT credit entitlement	57.67	-	-	57.67
Net deferred tax asset /(liability)	**112.28**	**(171.70)**	**0.47**	**(58.95)**

Significant components of net deferred tax assets and liabilities for the year ended 31 March 2017 are as follows: **(₹ in Crore)**

Particulars	Opening balance-deferred tax assets/ (liability)	Income tax (expense)/ credit recognized in profit or loss	Income tax (expense) / Credit recognized in other comprehensive income	Closing balance-deferred tax assets / (liability)
Property, plant and equipment and intangible assets	(1,140.35)	(11.83)	(14.84)	(1,167.02)
Brought forward tax losses and unabsorbed depreciation	865.40	11.09	-	876.49
Items deductible on actual payment or settlement	376.66	(31.73)	0.21	345.14
MAT credit entitlement	57.67	-	-	57.67
Net deferred tax assets/(liability)	**159.38**	**(32.47)**	**(14.63)**	**112.28**

44. Financial instruments

A. Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

(₹ in Crore)

Particulars	Note	As at 31 March 2018	As at 31 March 2017
Financial assets measured at amortized cost:			
Investments	3	30.29	26.83
Loans	4	40.63	94.42
Other financial assets	5	12.38	117.30
Trade receivables	9	906.81	889.52
Cash and cash equivalents	10	46.90	45.59
Other bank balances	10A	16.08	5.82
Financial assets measured at fair value through profit or loss:			
Investments	3	0.47	0.48
Derivative assets	5	10.10	-
Financial assets measured at fair value through other comprehensive income:			
Investments	3	8.58	8.58
Total financial assets		**1,072.24**	**1,188.54**
Financial liabilities measured at amortised cost:			
Borrowings	13 and 17	4,602.41	5,379.74
Other financial liabilities (including current maturities of long –term borrowings)	14	916.69	1,242.06
Trade payables	18	2,132.52	1,864.91
Financial liabilities measured at fair value through profit or loss:			
Derivative liabilities	14	12.06	-
Total financial liabilities		**7,663.68**	**8,486.71**

B. Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;
Level 2: Directly (i.e as prices) or indirectly (i.e derived from prices) observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data (unobservable inputs).Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B.1 Financial assets and liabilities measured at fair value –recurring fair value measurements

(₹ in Crore)

Particulars	Level	As at 31 March 2018	As at 31 March 2017
Financial assets measured at fair value through profit or loss:			
Investments (in quoted equity shares)	1	0.47	0.48
Derivative assets	2	10.10	-
Financial assets measured at fair value through other comprehensive income:			
Investments (in unquoted equity shares)	3	8.58	-
Financial liabilities measured at fair value through profit or loss:			
Derivative liabilities	2	12.06	-

Valuation process and technique used to determine fair value

i) **Investments:** The fair values of investments in quoted equity shares are based on the current bid price of respective investments as at the balance sheet date. Fair values of investments in unquoted equity shares is estimated at their respective costs since those companies do not have any significant operations and there has neither been any significant change in their performance since initial recognition nor there is any expectation of such changes in foreseeable future.

ii) **Derivative assets and liabilities:** The Company enters into forward contracts with banks for hedging foreign currency risk of its borrowings and receivables and payables arising from import and export of goods. Fair values of such forward contracts are determined based on spot current exchange rates and forward foreign currency exchange premiums on similar contracts for the remaining maturity on the balance sheet date.

B.2 Fair value of financial instruments measured at amortised cost

Fair value of financial instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using level 3 inputs:

(₹ in Crore)

Particulars	As at 31 March 2018		As at 31 March 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Non current investments	30.29	27.60	26.83	26.83
Loans	40.63	39.96	94.42	94.42
Other non current financial liabilities	50.73	54.94	14.41	14.41

The management assessed that fair values of current investments, other financial assets, trade receivables, cash and cash equivalents, other bank balances, trade payables and other current financial liabilities measured at amortised cost in the financial statements approximate their respective carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

i. Non-current investments, long term loans and non-current financial liabilities are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the counterparty/Company and other market risk factors.

ii. The fair values of the Company's fixed interest- bearing liabilities, loans and receivables are determined by applying discounted cash follows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non performance risk as at 31 March 2018 was assessed to be insignificant.

iii. All long term borrowings facilities availed by the Company are variable rate facilities and are subject to changes in underlying interest rate indicates/the credit spread due to changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

C. Financial risk management

C.1 Credit risk

Credit risk is the risk that a counterparty may not be able to settle its agreed obligations under a financial instrument or customer contract, leading to a financial loss. It arises from credit exposure to investments in redeemable preferences shares, loans, trade receivables, cash and cash equivalents including deposits with banks, derivative financial instruments and other financial assets.

a) Credit risk management practices

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

i) Low credit risk on financial reporting date

ii) Moderate credit risk

iii) High credit risk

The Company provides for expected credit loss based on the following:

Assets Group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Investments in redeemable preference shares, loans, trade receivables, cash and cash equivalents including deposits with banks, derivative financial instruments and other financial assets.	12 Month expected credit loss
Moderate credit risk	Trade receivables	Life time expected credit loss or 12 month expected credit loss
High Credit risk	Trade receivables	Life time expected credit loss

Based on business environment in which the Group operates, a default on a financial asset is considered when the counterparty fails to make payments after lapse of a time period, usually not exceeding 3 years from the agreed time period as per contract, as this reflects the historical experience of the Group with respects to the period over which substantially all of the collectible financial assets are settled. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company or debtor declaring bankruptcy or a litigation decided against the company. The company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Trade receivables

Trade receivables are generally unsecured and non- interest bearing. There is no significant concentration of credit risk. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored and a significant element of credit risk is covered by credit insurance.

The Group's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring group. The Company has also taken advances and security deposits from its customers which mitigate the credit risk to an extent.

In respect of trade receivables, the Group recognizes a provision for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Group.

Other financial assets

- Cash and cash equivalents including, deposits with banks and Derivative financial instruments are considered to have low credit risk since the contracts are with reputable financial institutions most of which have an "Investment grade" credit rating.

- Investments in redeemable preference shares of associates companies, loans (Comprising security deposits and loan to subsidiary) and other financial assets are considered to have low credit risk since there is a low risk of default by the counterparties owing to their strong capacity to meet contractual cash flow obligations in near term.

b) Allowance for expected credit losses

As at 31 March 2018 and 31 March 2017, the Group considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no defaults events are considered to be possible with in the 12 Months after the reporting date.

In respect of trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Trade receivables as at 31 March 2018. **(₹ in Crore)**

Particulars	Neither due nor impaired	Past due			Total
		Upto 6 Months	6 to 12 Months	Above 12 Months	
Secured	-	-	-	-	-
Unsecured	688.40	77.81	27.34	124.13	917.68
Gross Total	**688.40**	**77.81**	**27.34**	**124.13**	**917.68**
Provision for doubtful receivables	-	-	(8.99)	(1.88)	(10.87)
Net Total	**688.40**	**77.81**	**18.35**	**122.25**	**906.81**

Trade receivables as at 31 March 2017. **(₹ in Crore)**

Particulars	Neither due nor impaired	Past due			Total
		Upto 6 Months	6 to 12 Months	Above 12 Months	
Secured	-	-	-	-	-
Unsecured	474.73	322.24	32.52	71.64	901.13
Gross Total	**474.73**	**322.24**	**32.52**	**71.64**	**901.13**
Provision for doubtful receivables	-	-	0.48	(11.13)	(11.61)
Net Total	**474.73**	**322.24**	**32.04**	**60.51**	**889.52**

The reconciliation of loss allowance provision from beginning to end of reporting period is given below:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Loss allowances as at the beginning of the year	11.61	7.15
Changes in loss allowance	(0.74)	4.46
Loss allowance as at the end of the year	10.87	11.61

C.2 Liquidity risk

Liquidity risk is the risk that Group could experience difficulties in meeting its existing or future obligations due to insufficient availability of cash & cash equivalents or other financial assets. Managing liquidity risk, is one of the central risk of the Group. In order to be able to ensure the Group's solvency and financial flexibility at all times, long term credit limits and cash and cash equivalents are reserved on the basis of perennial financial planning and monthly rolling liquidity planning.

The Group manages its liquidity risk by using reasonable and retrospectively assessed assumptions to forecast the future cash generative capabilities and working capital requirements of the businesses it operates and by maintaining committed borrowing facilities and other credit lines as appropriate.

a) Unused lines of credit

The Group has following unused lines of credit as on 31 March 2018 and 31 March 2017.

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Secured*	905.93	140.35

*Working capital facilities due for review every year.

b) Maturities of financial liabilities

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

(₹ in Crore)

Particulars	As at 31 March 2018-Payable within				
	On Demand	Less than 6 Months	6 to 12 Months	More than 1 year	Total
Non-derivative financial liabilities					
Borrowings	1.60	759.23	703.08	3,550.90	5,014.81
Estimated future interest obligation	-	194.41	187.04	1,121.43	1,502.88
Other financial liabilities	21.59	154.52	277.45	50.73	504.29
Trade payables	328.06	593.14	1,211.32	-	2,132.52
Derivative financial liabilities					
Derivative liabilities	-	11.99	0.07	-	12.06
Total	**351.25**	**1,713.29**	**2,378.96**	**4,723.06**	**9,166.56**

(₹ in Crore)

Particulars	As at 31 March 2017-Payable within				
	On Demand	Less than 6 Months	6 to 12 Months	More than 1 year	Total
Non-derivative financial liabilities					
Borrowings	3.06	2,129.27	373.41	3,381.99	5,887.73
Estimated future interest obligation	-	158.71	151.69	1,106.56	1,416.96
Other financial liabilities	6.61	609.60	103.44	14.41	734.06
Trade payables	109.73	500.32	1,254.86	-	1,864.91
Total	**119.40**	**3,397.90**	**1,883.40**	**4,502.96**	**9,903.66**

C.3. Market Risk

a) Foreign Currency risk

The Group is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). 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. Foreign Currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

	As at 31 March 2018		As at 31 March 2017	
Nature	Foreign Currency (million)	Amount (₹ Crores)	Foreign Currency (million)	Amount (₹ Crores)
Loans and other financial assets				
USD	3.29	21.43	4.36	28.25
EURO	-	-	0.42	2.93
JPY	-	-	0.07	-*
CHF	-	-	-*	0.04
GBP	-	-	-*	0.02
Trade Receivables				
USD	-	-	14.25	92.40
Borrowings				
USD	109.69	714.83	175.38	1,137.42
Trade Payables				
USD	22.14	144.33	66.08	428.53
EURO	6.35	50.97	4.24	29.27
GBP	0.01	0.08	-	-
JPY	0.46	0.03	-	-
CHF	0.01	0.09	-	-
AED	-	-	0.02	0.02
CNY	0.01	0.01	-	-

*Rounding off

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Group's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures. Reasonably possible Changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near term future volatility.

The Impact on the Group's profit before tax due to changes in the foreign currency exchange rates are given below:

(₹ in Crore)

Currency	Change in currency exchange rate (holding other variables constant)	Effect on profit before tax due for the year ended 31 March 2018	Effect on profit before tax due for the year ended 31 March 2017
USD	+4.07%	(35.86)	(72.26)
	-4.07%	35.86	72.26
GBP	+8.70%	(0.01)	-*
	-8.70%	0.01	-*
EURO	+6.89%	(7.00)	(3.15)
	-6.89%	7.00	3.15
JPY	+7.92%	-*	-*
	-7.92%	-*	-*
CHF	+7.65%	(0.01)	-*
	-7.65%	0.01	-*
CNY	+4.69%	-*	-*
	-4.69%	-*	-*
IDR	+3.80%	(2.64)	2.96
	-3.80%	2.64	(2.96)

Rounding off

b) Interest rate risk

i. Financial liabilities

The Group is exposed to interest rate risk due to variable rate borrowings. Below is the overall exposure of the Group to interest rate risk:

(₹ in Crore)

Particulars	As at 31 March 2018	As at 31 March 2017
Variable rate borrowings	4,896.79	5,628.11
Fixed rate borrowings	118.02	259.62
Total borrowings	5,014.81	5,887.73

Below is the sensitivity of profit or loss to changes in interest rates. Reasonably possible changes in interest rates have been applied to net variable rate exposure, denominated by currency, in order to provide an indication of the possible impact on the Group's statement of profit and loss. The assumed movement in interest rates for sensitivity analysis is based on the currently observable market conditions.

(₹ in Crore)

Currency	Change in currency interest rates (holding other variables constant)	Effect on profit before tax due for the year ended 31 March 2018	Effect on profit before tax due for the year ended 31 March 2017
INR Borrowings	+50 bps	(17.27)	(15.87)
	-50 bps	17.27	15.87
USD Borrowings	+50 bps	(7.27)	(9.84)
	-50bps	7.27	9.84
EURO Borrowings	+50 bps	(0.46)	-
	-50 bps	0.46	-
IDR Borrowings	+50 bps	(0.06)	-
	-50bps	0.06	-

ii. Financial assets

The Groups's investments in redeemable preference shares of its associate companies and government securities, loan to a related party and deposits with banks are carried at amortised cost and are fixed rate deposits. They are, Therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

c) Price risk

The Group has investment in equity shares of unrelated companies which are carried at fair value. The Group doesn't expect a significant impact on its profit or loss for the year and equity as at balance sheet date due to reasonably possible changes in prices of such financial instruments.

45. Capital Management

The Group's objectives when managing capital are to secure its ongoing financial needs to continue as a going concern as well as to cater to its growth targets, in order to provide returns to shareholders and benefits for other stakeholders and to maintain a cost efficient and risk optimized capital structure. The Group manages the capital structure and makes adjustments to it in light of changes in economic condition, its business activities, the investment and expansion program and the risk characteristics of the underlying assets.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, increase debt or sell assets to reduce debt.

The Group monitors capital, among others, on the basis of its gearing ratio and the ratio of net debt to its Earnings Before Interest, Depreciation and Amortization (EBITDA).

The gearing ratio as at the balance sheet date and ratio of net debt to EBITDA are as follows:

Particulars	As at 31 March 2018	As at 31 March 2017
Borrowings	5,014.81	5,887.73
Less: cash and cash equivalents	46.90	45.59
Net debt	4,967.91	5,842.14
Total equity attributable to owners of the parent*	2,465.20	1,813.99
Equity and net debt	**7,433.11**	**7,656.13**
Gearing ratio	**67.47%**	**76.90%**
Profit before exceptional items and tax	515.10	89.67
Less: Other Income	(45.08)	(25.69)
Depriciation and amortisation expenses	320.03	325.21
Finance costs	566.06	787.88
EBITDA	**1,356.11**	**1,177.07**
Ratio of net debt to EBITDA	**3.66**	**4.96**

*Including fair valuation of property, plant and equipment of ₹ 1,826.49 crores.

As per loan covenants, the Group is required to comply with requirement relating to certain financial ratio (including total debt to EBITDA/ net worth, EBITDA to gross interest, debt service coverage ratio and fixed assets coverage ratio). During the year ended 31 March 2018 and 31 March 2017, the Group has complied with the financial ratios as per loan covenants.

46. Financial information of subsidiaries with material non-controlling interest and associates which are material to the parent

Summarised financial information of Iber Jindal S.L, which has material non-controlling interest:
Principal place of business: - Spain

(₹ in Crore)

Description	As at 31 March 2018	As at 31 March 2017
Non-current assets	0.94	0.34
Current assets	217.52	119.95
Total assets	218.46	120.29
Non-current liabilities	-	-
Current liabilities	197.46	108.79
Total liabilities	**197.46**	**108.79**
Equity attributable to owner's of the company (% of Holding: 65%)	**13.65**	**7.47**
Equity attributable to non controlling interest (% of Holding:35%)	**7.35**	**4.02**

(₹ in Crore)

Description	As at 31 March 2018	As at 31 March 2017
Revenue	385.73	245.52
Net profit	7.23	4.20
Other comprehensive income	-	-
Total comprehensive income	**7.23**	**4.20**
Total comprehensive income attributable to non controlling Interest	**2.53**	**1.41**

(₹ in Crore)

Description	As at 31 March 2018	As at 31 March 2017
Net cash inflow/(outflow) from operating activities	(29.26)	(16.32)
Net cash inflow/(outflow) from investing activities	(0.59)	(0.09)
Net cash inflow/(outflow) from financing activities	34.28	16.47
Net cash inflow/(outflow)	4.43	0.06

(₹ in Crore)

Description	As at 31 March 2018	As at 31 March 2017
Accumulated balance of material non-controlling interest	8.99	6.07

Summarised financial information of Jindal United Steel Limited, associate company that is material to the parent.

Name of Associate	Principal place of business	% of Ownership Interest as at 31 March 2018	Principal Activity
Jindal United Steel limited	India	26%	Manufacturer of hot rolled products of stainless steel and carbon steel

The above associate was accounted for using equity method in the consolidated financial statements. There is no quoted market price for Jindal United Steel Limited.

(₹ in Crore)

Description	As at 31 March 2018	As at 31 March 2017
Non-current assets	2,743.43	2,446.40
Current assets	120.24	161.81
Non-current liabilities	2,520.00	2,199.76
Current liabilities	43.68	108.46

(₹ in Crore)

Description	As at 31 March 2018	As at 31 March 2017
Revenue	-	-
Net profit/(loss)	-	-
Other comprehensive income	-	-
Total comprehensive income	-	-
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)

Description	As at 31 March 2018	As at 31 March 2017
Opening net assets*	168.86	168.86
Profit for the year	-	-
Other comprehensive income	-	-
Closing net assets	168.86	168.86
Group's share in %	26%	26%
Group's share (in INR) (A)	43.90	43.90
10 % Non-Cumulative non convertible redeemable preference shares carried at amortised cost (B)	75.90	75.90
Carrying amount of interest in associates (A+B)	119.80	119.80

*Excluding share capital suspense account

Summarised financial information of Jindal Coke Limited, associate company that is material to the parent

Name of Associate	Principal place of business	% of Ownership Interest as at 31 March 2018	Principal Activity
Jindal Coke limited	India	26%	Manufacturer of Coke and Coke products

The above associate was accounted for using equity method in the consolidated financial statement. There is no quoted market price for Jindal Coke Limited.

(₹ in Crore)

Description	As at 31 March 2018	As at 31 March 2017
Non-current assets	620.63	565.96
Current assets	230.50	386.85
Non-current liabilities	621.91	580.51
Current liabilities	69.14	331.37

(₹ in Crore)

Description	As at 31 March 2018	As at 31 March 2017
Revenue	902.29	336.57
Net profit/(loss)	57.17	42.37
Other comprehensive income	61.98	(0.01)
Total comprehensive income	119.15	42.36
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)

Description	As at 31 March 2018	As at 31 March 2017
Opening net assets*	23.31	(32.06)
Profit for the year	57.17	24.17
Other comprehensive income	61.98	(0.02)
Share capital issued (net of expenses)	-	31.22
Closing net assets	142.46	23.31
Group's share in %	26%	26%
Group's share (in INR) (A)	37.04	6.06
10 % Non-Cumulative non convertible redeemable preference shares carried at amortised cost (B)	79.32	79.32
Share of profit due to change in shareholding (C)	13.38	13.38
Carrying amount of interest in associates (A+B+C)	129.74	98.76

* Excluding share capital suspense account

Immaterial interest in associate: Jindal Stainless Corporate Management Services Private Limited, an associate that is immaterial to the parent.

(₹ in Crore)

Description	As at 31 March 2018	As at 31 March 2017
Aggregate carrying amount of individually immaterial associate	0.01	0.01
Profit and loss from continuing operation	0.90	0.53
Post-tax profit or loss from discontinuing operation	-	-
Other comprehensive income	(0.20)	(0.05)
Total comprehensive income	0.70	0.48

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

For Walker Chandiok & Co LLP Chartered Accountants FRN 001076N/N500013	**Ratan Jindal** Chairman and Managing Director DIN: 00054026	**S. Bhattacharya** Whole Time Director DIN: 03050155
Siddharth Talwar Partner Membership No.: 512752	**Anurag Mantri** Chief Financial Officer	**Navneet Raghuvanshi** Company Secretary

Place: New Delhi
Date : 25 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 Crores)

Name of the Subsidiary	Reporting Period	Reporting Currency	Exchange Rate in ₹	Share Capital	Other Equity	Total Assets	Total Liabilities	Investment	Turnover (Gross)	Profit/(Loss) before Taxation (Including Other Comprehensive Income)	Provision for Taxation	Profit/(Loss) after Taxation (Including Other Comprehensive Income)	Proposed Dividend	% of Share holding
PT. Jindal Stainless Indonesia	31-Mar-18	USD	65.17	81.46	26.35	677.28	569.47	-	1,107.85	18.45	6.57	11.88	-	99.999%
Jindal Stainless UK Limited	31-Mar-18	GBP	91.34	0.91	0.48	1.39	0.00	-	0.03	(1.24)	(0.08)	(1.17)	-	100.00%
Jindal Stainless FZE	31-Mar-18	AED	17.74	10.64	17.71	53.11	24.75	-	26.18	5.48	-	5.48	-	100.00%
JSL Group Holdings Pte Limited	31-Mar-18	USD	65.17	29.33	(1.14)	29.34	1.16	-	-	(0.08)	-	(0.08)	-	100.00%
Iberjindal S.L	31-Mar-18	EURO	80.30	8.03	12.98	216.02	195.01	-	385.73	9.64	2.41	7.23	-	65.00%

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
Jindal Stainless Corporate Management Services Private Limited	31-Mar-18	5,000	0.01	50%	1.21	0.70	0.70	% Holding	NA
Jindal Coke Ltd	31-Mar-18	84,32,372	8.43	26%	41.62	30.98	88.16	% Holding	NA
Jindal United Steel Ltd	31-Mar-18	4,39,18,859	43.92	26%	78.00	-	-	% Holding	NA

Note:

i. Joint Ventures (a) MJSJ Coal Limited and (b) Jindal Synfuels Limited have been excluded from consolidation, as group does not have any control thereto as Investment in terms of agreement as Investor , being 9% and 10% respectively.

ii. The Company has entered into MOU for disposal of its shareholding in Jindal Stainless Italy Srl and JSL Ventures Ltd and in process of liquidating its investments held in Jindal Acerox Inoxidable S.L, Spain; accordingly, their Financial Statements have not been consolidated.

iii. As per AMP and other facts stated in Note no. 32 the subsidiaries (a) Jindal Coke Limited (upto 10.11.2016) and (b) Jindal United Steel Limited (upto 27.12.2016) has no controlling interest (investment), accordingly these subsidiaries have.

PLACE: New Delhi **DATED:** 25th April 2018	**RATAN JINDAL** Chairman & Managing Director	**S. BHATTACHARYA** Whole Time Director	**ANURAG MANTRI** Chief Financial Officer

JINDAL STAINLESS LIMITED

(CIN: L26922HR1980PLC010901)
Regd. Office: O.P. Jindal Marg, Hisar - 125 005 (Haryana), India
Phone No. (01662) 222471-83, Fax No. (01662) 220499
Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi - 110 066
Email Id. for Investors: investorcare@jindalstainless.com
Website: www.jslstainless.com

E-COMMUNICATION REGISTRATION FORM

To,
Link Intime India Private Limited
[Unit: Jindal Stainless Limited]
44, Community Center, 2nd Floor
Naraina Industrial Area, Phase I, Near PVR, Naraina,
New Delhi - 110028
Phone No.: (011) 41410592/93/94
Fax No.: (011) 41410591
Email : delhi@linkintime.co.in

Green initiative on Corporate Governance

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

Folio No./ DP ID & Client ID No.:……

Name of 1st Registered Holder:……

Name of Joint Holder(s), if any :……

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

No. of Shares held:……

E-mail ID (to be registered):……

Date: …….. Signature :…….

Notes:

1) On registration, all communications will be sent to the e-mail ID registered.

2) Shareholders are requested to keep the Company's Registrar - Link Intime India Pvt. Ltd. informed as and when there is any change in the e-mail address.

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 Limited

(CIN: L26922HR1980PLC010901)

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 38th Annual General Meeting of the Company, to be held on the **27th day of September, 2018** at **11.00 A.M.** at Registered Office of the Company at O.P. Jindal Marg, Hisar – 125 005, Haryana and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
1	To receive, consider and adopt: (a) 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) audited consolidated financial statements of the Company for the financial year ended on 31st March, 2018 and the Report of the Auditors thereon.		
2	To appoint a Director in place of Mr. Ratan Jindal (DIN: 00054026), who retires by rotation and being eligible, offers himself for re-appointment.		
3	Appointment of Mr. Abhyuday Jindal as the Managing Director of the Company.		
4	Appointment of Mr. Tarun Kumar Khulbe as Director.		
5	Appointment of Mr. Tarun Kumar Khulbe as the Whole-Time Director of the Company.		
6	Appointment of Dr. Rajeev Uberoi as an Independent Director.		

7	Ratification of remuneration to be paid to M/s Ramanath Iyer & Co., Cost Accountants, as Cost Auditors of the Company, for the financial year 2018-19.		
8	Authority to enter into material related party contracts/ arrangements / transactions.		
9	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)

Affix Revenue Stamp

Notes:

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

JINDAL STAINLESS LIMITED
(CIN: L26922HR1980PLC010901)

Regd. Office: O.P. Jindal Marg, Hisar – 125 005 (Haryana), India
Phone No. (01662) 222471-83, Fax No. (01662) 220499
Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110 066
Email Id.: investorcare@jindalstainless.com; Website: www.jslstainless.com

ATTENDANCE SLIP

Sr. No.

Name and Address of the Shareholder(s) :
Registered Folio / DP ID & Client ID:
Number of Shares held:

I/We hereby record my/our presence at the 38th Annual General Meeting of the Company at its Registered Office at O.P. Jindal Marg, Hisar -125005 (Haryana) on Thursday, the 27th day of September, 2018 at 11:00 A.M.

Signature of Shareholder / Proxy Present: .....

Note:
1. You are requested to sign and hand this over at the entrance.
2. If you are attending the meeting in person or by proxy please bring copy of notice and annual report for reference at the meeting.
3. Each equity share of the Company carries one vote.
4. Please read carefully the instructions before exercising the vote.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL

.....

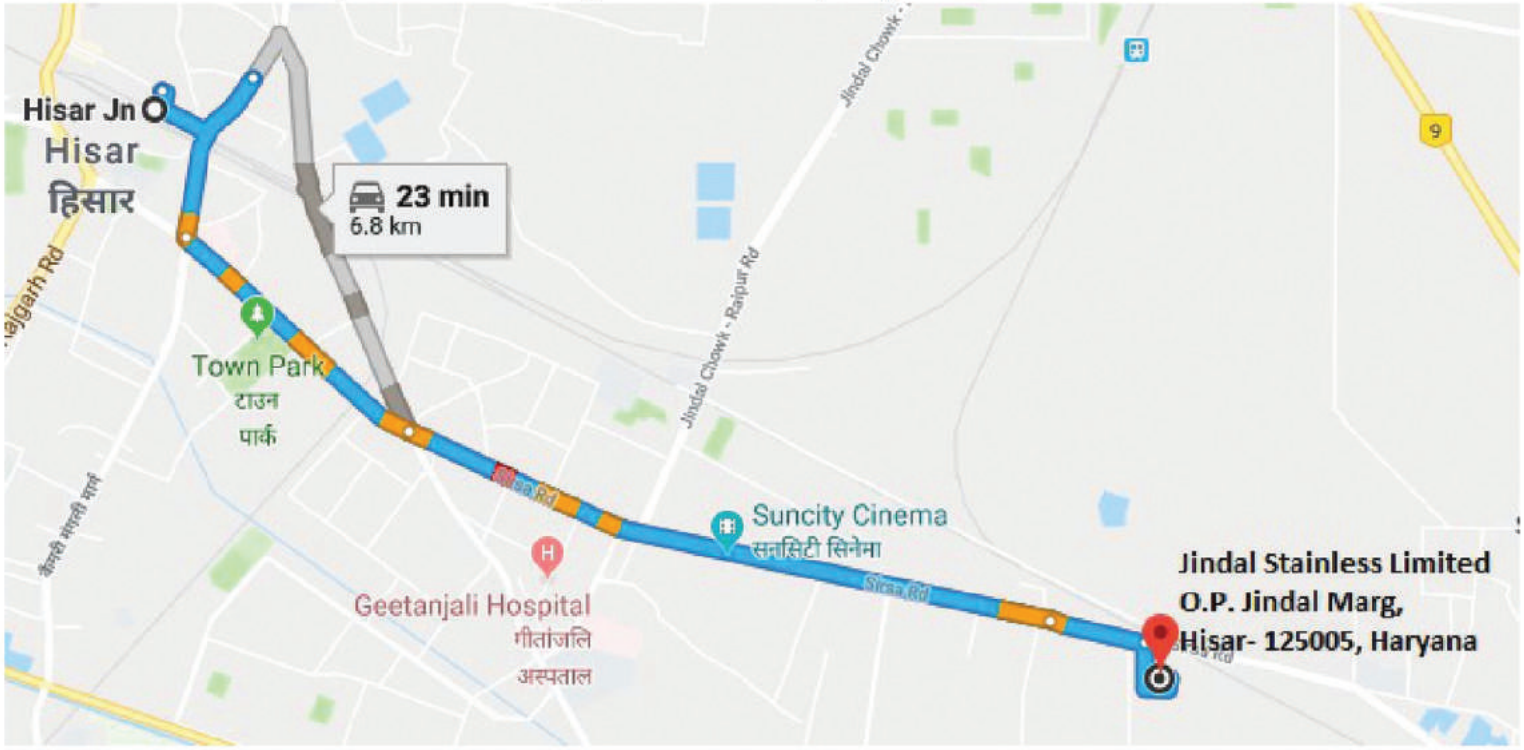
ELECTRONIC VOTING PARTICULARS

(EVSN) E Voting Sequence Number	USER ID	* Sequence Number

* Applicable to those members who have not updated their PAN with the Company / Depository Participant

Venue of the Annual General Meeting

Jindal Stainless 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.jslstainless.com

REGISTERED OFFICE

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

MANUFACTURING FACILITIES

ODISHA

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

INDONESIA

PT. Jindal Stainless Indonesia,
Kawasan Industry Maspion, Maspion Unit-V
Desa Sukomylyo-Manyar, Gresik - 61151, Surabaya
Jawa Timur - Indonesia
Phone : +62 31 3959588
Fax : +62 31 3959666
Email : info.indonesia@jindalstainless.com

JSL
JINDAL STAINLESS

Shaping a Stainless World



BUSINESS RESPONSIBILITY REPORT 2017-18

Jindal Stainless Limited

Introduction

In an age when enterprises are increasingly seen as critical components of the society, 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 are as vital 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 Security 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")

BRR 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.

JSL 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	L26922HR1980PLC010901
2. Name of the company	Jindal Stainless Limited
3. Registered Address	O.P. Jindal Marg, Hisar - 125 005 (Haryana)
4. Website	www.jslstainless.com
5. E-mail ID	info@jindalstainless.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) Cold Rolled Stainless Steel Products 2) Stainless Steel Plates 3) Stainless Steel Sheets
9. Number of locations where business activities are undertaken by the company 1) Total number of International locations 2) Total number of National locations	JSL mainly operates in India, with our manufacturing facility located in Jajpur, Odisha. Major sales offices of our company are at : 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	JSL is one of the largest domestic stainless steel producers and has global footprints that serve both National and International Markets and sectors like: • Automobile • Transport • Railway • Architecture • Building and construction • Process engineering • Consumer durables

Section B: Financial Details of the Company

1.	**Paid Up Capital (INR)**	₹ 124.41 crores
2.	**Total Turnover (INR)**	₹ 10,963.67 crores
3.	**Total Profit after Taxes (INR)**	₹ 318.27 crore
4.	**Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)**	₹ 2.26 crore 0.71%*

*The Company is not mandated under Section 135 of the Companies Act, 2013 to incur expenditure under CSR, but guided by the vision and philosophy of its Founder Late Shri O.P.Jindal, the Company voluntarily incurs expenditure in the activities as mentioned below.

5. **List of activities in which the expenditure in 4 above has been incurred.**

   JSL has been involved in following major activities:

   a) Promoting Gender Equality and women empowerment
   b) Promotion of Education and Skill Training
   c) Integrated health
   d) Rural Development Projects

Section C: Other Details

Does the company have any Subsidiary Company/Companies?

Yes, JSL has 5 direct subsidiaries.

- PT Jindal Stainless, Indonesia
- Jindal Stainless UK Limited
- Jindal Stainless FZE
- Iberjindal, Spain
- JSL Group Holdings Pte. Ltd.

1. **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.

2. **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%)**

   No.

Section D: BR Information

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

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

Name	DIN Number	Designation
Mr. Tarun Kumar Khulbe #	07302532	Whole Time Director

b) Details of the Business Responsibility Head**

DIN Number (if applicable)	07302532
Name	Mr. Tarun Kumar Khulbe
Designation	Whole Time Director
Telephone number	+91 1141462000
e-mail id	tarun.khulbe@jindalstainless.com

 # Mr. Tarun Kumar Khulbe, has been appointed as Whole Time Director of the Company w.e.f. 15th May, 2018

***Currently, at JSL, 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 JSL to effectively implement our policies.*

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

1	Do you have policy/policies for…?	Y	Y	Y	Y	Y	Y	N*	Y	Y
		At JSL, 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 JSL'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 JSL'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	Has the policy been approved by the Board? If yes, has it been signed by the MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	N*	Y	Y
		All JSL's existing policies have been approved by the Board and signed by relevant authorities								
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Currently, at JSL, 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.								
6	Indicate the link to view the policy online?	Y	Y	Y	Y	Y	Y	N*	Y	Y
		JSL's policies relating to our external stakeholders can be viewed on the website at http://www.jslstainless.com/Policies.html Our policies relating to our employees - our internal stakeholders, are available on J-Connect - an internal website, which our employees have access to.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	N*	Y	Y
		JSL's policies relating to external stakeholders can be viewed on the website at http://www.jslstainless.com/Policies.html Our policies relating to our employees - our internal stakeholders, are available on J-Connect - an internal website, which our employees have access to.								

		Our website also has a 'Contact' section which serves as a platform for our stakeholders to contact us regarding any queries they may have.								
8	Does the Company have in-house structure to implement its policy/policies?	Y	Y	Y	Y	Y	Y	N*	Y	Y
		Currently, at JSL, 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 JSL to effectively implement our policies.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	At JSL, we have a Stakeholders Relationship Committee at the Board level, which addresses the grievance of our 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
		JSL's Secretarial auditors review majority of the policies which are formulated as per SEBI requirements and also check for compliance. JSL's Internal auditors also reviews processes and policies and also covers implementation and makes notes of any deviations from the policies.								

** Currently, JSL 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.**

JSL 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?**

JSL annually publishes Business Responsibility Report. These reports are on Company's website - http://www.jslstainless.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, all internal stakeholders of JSL are subjected to work within the boundaries of this policy.

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.**

   JSL, being an integrated Stainless Steel producer, we incorporate sustainability initiatives into 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 and take measures right from the design stages enabling reduction of energy consumption for the following stainless steel products:

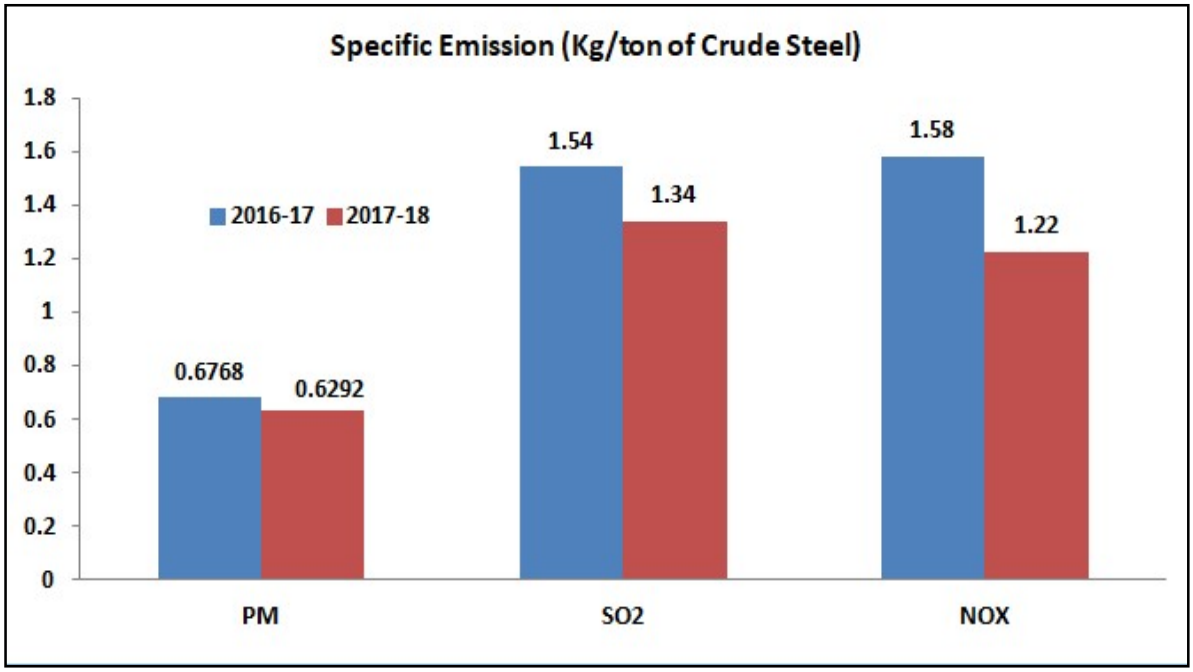
   1) Steel slab
   2) White coil
   3) Sheets

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

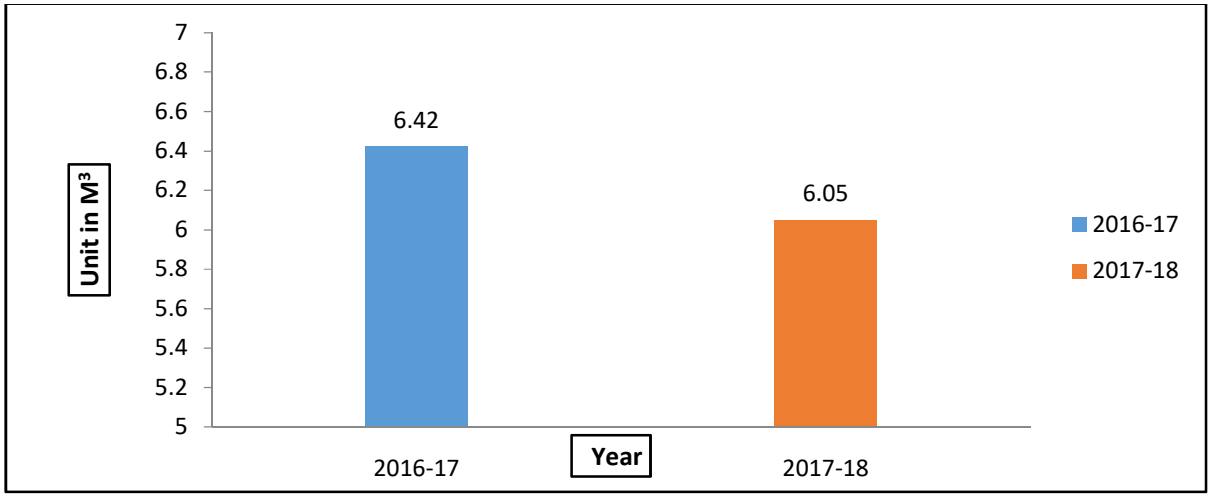
(i) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

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

At JSL, we have been successful in reduction of resources and impacts during our production processes. The significant reduction of specific emission (Kg/Ton of Crude Steel) has been achieved by 7 % for Particulate Matter (PM), 13 % for SO2 and 22 % for NOx with respect to the last year through better control of operation of Pollution control equipment and optimum consumption of resources.



The specific water consumption (m3 /Ton of Crude Steel) has reduced by about 6 % with respect to the previous year, as a result of initiatives taken towards water conservation measures like recycling and reuse of treated waste waters resulting from various in-house consumption, thereby reducing fresh water consumption.



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 JSL, 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.

We have a clear preference to work with ISO 14001 and OHSAS 18001 certified contractors, suppliers and vendors for our major service requirements. Ensuring that all our contractors, suppliers and vendors maintain human resource policies including disciplinary practices, fair remuneration, working hours and health, environment and safety related clauses in their jobs and contracts. We closely monitor the compliance of these aspects constantly to ensure sustainability across our supply chain.

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. JSL prefers for procurement of goods and services from local vendors and small producers by hiring equipment and services as well as procuring minor raw materials, stationary items and food supplies. It also recruits workers from local communities for construction and operation of plants. Minor fabrication works and materials are also sourced from local suppliers.

   JSL also developed Self Help Group (SHG) run by women as a part of Women Empowerment under Corporate Social Responsibility (CSR) Policy of JSL. These SHGs are providing training on livestock management and advanced skill development resulting strategically benefits the company.

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

   At JSL, we follow the policy of four R's -- Recycle, Reduce, Reuse and Recover that minimizes the risk of solid waste contamination. We have taken several initiatives to adopt a mechanism to recycle waste products into our process activities. 100% of the waste generated from our plant operations including Fly ash from Captive Power Plant is reused by brick and asbestos manufacturers nearby. Other waste products generated, like mill scale from Cold Rolling Mill, Bag Filter dust from Steel Melting Shop are reused in Ferro Alloy making. Slag from Steel Melting Shop & Ferro Alloy Plant is processed in Metal Recovery plant/Jigging Plant for recovery of valuable metal. Apart from this, 100% of hazardous waste oil is sold to an authorized dealer for further recycling.

Principle 3: Businesses should promote the wellbeing of all employees

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

   1487 employees

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

   5269 employees

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

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

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.**
   During the year, we received no complaints relating to child labour, forced labour, involuntary labour and sexual harassment.

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**
   At JSL, we place high importance on the safety of our employees and to ensure this**,** 100% of our employees received health and safety training. We also encourage constant learning as well as personal and professional development. To achieve this goal, we provided soft and technical skill up-gradation to 67.5% 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 disadvantage vulnerable, and marginalized.

1. **Has the company mapped its internal and external stakeholders? Yes/No**
   Yes. At JSL, we have identified investors, shareholders, and employees, local communities, civil societies, NGOs, legal institutions, trade associations, media, suppliers, business partners, customers, dealers, government, regulators and competitors as our key stakeholder groups. Engagement responsibility for each stakeholder group is entrusted with specific teams in 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 JSL, 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 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.**

At JSL, we have established and implemented an Environment Policy on Conservation and prevention of Environmental damage, which also extends to all our subsidiaries. A process is maintained for continually improving our Environment Management System to ensure complete satisfaction and value creation for all stakeholders. With respect to our suppliers and contractors, environmental rules and regulations are clearly stated in the general terms and conditions of the order/ contract being given. We take every step and measure possible in managing environment related activities as per ISO 14001. The quality objective and policy on Environment management is regularly reviewed to reflect the current business requirement.

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 JSL, we incorporate environmental concerns into all our activities. Being an energy intensive industry, we understand our responsibility towards addressing regional and 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. We strive to set benchmarks in our sector, and hence, invest constantly on process improvements and new technologies.

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

   Yes. At JSL, as part of ISO 14001, ISO 9001 and OHSAS 18001certifications (Integrated Management System Certification), we undertake continuous assessment of the potentiality of environmental risks. We also undertake internal and external audits under IMS Certification 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?**

   No. At JSL we did not undertake any project related to Clean Development Mechanism during the year 2017-18.

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. At JSL, we have undertaken multiple initiatives towards cleaner technology for the entire operation of our plant. We have installed and commissioned 2 Waste Heat Recovery Boilers at our Ferro-Alloy complex to produce steam for generation of 13MW power. Similar efforts towards various energy efficient measures have undertaken resulting savings of electrical energy of 15341 MWh and thermal energy of about 26903 Giga Joule during the year 2017-18.

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 at plant site is within the permissible limits in accordance to the statutory norms stipulated 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 received no such Show Cause/legal notice from the regulatory bodies such as CPCB/ SPCB during the reporting period.

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:**

   The Company is member of following trade bodies and association :-

   - FICCI
   - ASSOCHAM
   - CII
   - PHD Chamber of Commerce & Industry

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 programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   At JSL, we have a number of programs for our marginalized stakeholders with the aim of supporting inclusive growth. The company is committed to understand the developmental needs of the underprivileged communities in the CSR operational villages located in the remote and rural areas surrounding its periphery to create an inclusive and equitable society. The company has a structured mechanism for Corporate Social Responsibility and Sustainable Development. It has partnered with around 14 non-governmental agencies and also through its Jindal Stainless Foundation to identify the community needs, causes of deprivation, process of exploitation and inequality in the society and designed its programs to address the issues. The CSR Projects are targeted towards empowering the weakest sections of the society such as women, children, farmers etc. The programs generate

employment and livelihood opportunities, improving living standards of the community in-turn improving the economy of the operational villages.

2. **Are the programmes/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/ academic institutions/ other trusts & foundations.

3. **Have you done any impact assessment of your initiative?**

   Yes, Jindal Stainless Limited 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?**

Examples of Projects undertaken	Amount spent in INR
Promotion of Education & Skill Training	79,34,589
Women Empowerment & Gender Equality	40,26,822
Community Health care	42,46,244
Rural Development Projects	64,52,162
TOTAL	**2,26,59,817**

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. For example while executing the solar photovoltaic irrigation project, farmers group is formed, bank account opened and regular saving from farmers are ensured to meet the post maintenance of the solar systems. The SHGs promoted under women empowerment ensure that the loans of banks are repaid in time and there is no unpaid amount over the SHGs.

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. We also understand our Labeling is meeting the norms of Taxation & Weights and Measures Department as the same is being Audited/Checked by these relevant Authorities from time to time. In addition, JSL provides standard information as required by its 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.**

   Nil

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Yes