



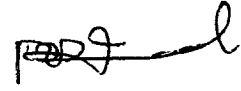
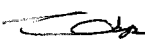
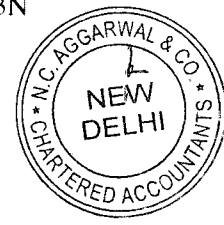
NALWA SONS INVESTMENTS LIMITED

Regd. Office: 28, Najafgarh Road,
Moti Nagar Industrial Area,
Delhi - 110 015, INDIA
CIN: L65993DL1970PLC146414

FORM A

(As per Clause 31(a) of the Listing Agreement)

Covering letter of the Annual Audit Report to be filed with the Stock Exchanges

| | | |
|---|--|---|
| 1 | Name of the Company | Nalwa Sons Investments Limited |
| 2 | Annual financial statements for the year ended | 31st March, 2015 |
| 3 | Type of audit observation | Matter of Emphasis (Refer para on Emphasis of Matter in Auditors' Report (Standalone and Consolidated) read with para no.9 of Note No. 15 of Standalone Notes to the Financial Statements and para no. 12 of Note No. 23 of Consolidated Notes to the Financial Statements) |
| 4 | Frequency of observation | Appeared third time |
| 5 | To be signed by | |
| | Executive Director & CEO | Mahender Kumar Goel  |
| | CFO | M.P.Gupta  |
| | Audit Committee Chairman | Rajinder Parkash Jindal  |
| | Auditor of the Company | Refer our audit report dated 29 th May, 2015 On Standalone and Consolidated Financial Statements of the Company For N.C. Aggarwal & Co. Chartered Accountants Firm Registration No. 003273N  G. K. Aggarwal Partner M. No. 086622 Dated: 1 st September, 2015  |

Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi - 110 066.
Branch Office: O.P. Jindal Marg, Hisar-125 005, Phone: +91 1662 222471, Fax: +91 1662 220476



ANNUAL REPORT 2014-15

NALWA SONS INVESTMENTS LIMITED

www.nalwasons.com



Shri O. P. Jindal

August 7, 1930 - March 31, 2005

O. P. Jindal Group - Founder and Visionary

A successful industrialist, a politician, a leader and a passionate philanthropist; late Shri O P Jindal achieved this and more with his inspiring energy. Shri O P Jindal exemplified enterprise, patriotism, innovation and social development with his strong will power and noble intentions. He touched sky with his eponymous business organization, strengthening at every step his commitment to social work and nation building. He believed that the growth should be inclusive and made it his life's mission to help the underprivileged sections of society. And amongst other things, he left behind a few billion smiles and a legacy of inspiration for all of us.

Board of Directors

| | |
|---|---|
| Executive Director & Chief Executive Officer | Mahender Kumar Goel |
| Chief Financial Officer | Mahabir Prashad Gupta |
| Directors | R. G. Garg Rajinder Parkash Jindal Rakesh Garg Vaishali Deshmukh Shailesh Goyal |
| Company Secretary | Bhartendu Harit |
| Bankers | State Bank of India Standard Chartered Bank ICICI Bank Limited |
| Statutory Auditors | M/s N. C. Aggarwal & Co. Chartered Accountants |

Registered Office

28, Najafgarh Road
Moti Nagar Industrial Area
New Delhi - 110015 (India)
Phone: (011) 45021854, 45021812
Fax: (011) 45021982, 25928118
email id : investorcare@nalwasons.com

Corporate Office

Jindal Centre, 12 Bhikaiji Cama Place
New Delhi - 110066 (India)
Phone: (011) 26188345-60
Fax: (011) 26170691, 26161271
email: info@jindalsteel.com

Branch Office

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

Contents

| | |
|---|----|
| Notice | 2 |
| Directors' Report | 8 |
| Corporate Governance Report | 26 |
| Management Discussion & Analysis Report | 34 |
| Auditors' Report | 35 |
| Balance Sheet | 38 |
| Profit & Loss Account | 39 |
| Notes to the Financial Statements | 40 |
| Cash Flow Statements | 54 |
| Statement Pursuant to Section 129 | 55 |
| Consolidated Financial Statements | 56 |

44th Annual General Meeting

Date: 28th September, 2015

Day: Monday

Time: 03.30 P. M.

Venue: N.C. Jindal Public School, Road No. 73, West Punjabi Bagh, New Delhi – 110 026

NOTICE

Nalwa Sons Investments Limited

(CIN: L65993DL1970PLC146414)

Regd. Office: 28 Najafgarh Road, Moti Nagar Industrial Area, New Delhi – 110 015

Phone No. (011) 45021854, 45021812. **Fax No.:** (011) 25928118, 45021982.

Email Id.: investorcare@nalwasons.com **Website:** www.nalwasons.com

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

NOTICE is hereby given that the **44th ANNUAL GENERAL MEETING** of the Shareholders of **NALWA SONS INVESTMENTS LIMITED** will be held **on Monday, the 28th day of September, 2015 at 03.30 P.M. at N.C. Jindal Public School, Road No. 73, West Punjabi Bagh, New Delhi – 110 026** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a. the Audited Financial Statement of the Company for the Financial Year ended on 31st March, 2015, the Reports of Board of Directors and Auditors thereon, and
 - b. the Audited Consolidated Financial Statement of the Company for the Financial Year ended on 31st March, 2015.
2. To appoint a Director in place of Mr. Mahender Kumar Goel (DIN: 00041866), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s N. C. Aggarwal & Co., Chartered Accountants (Firm Regn. No. 003273N), Statutory Auditors of the Company appointed at the 43rd Annual General Meeting of the Company held on Monday, 29th September, 2014 and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and the resolution passed by the Shareholders in the 43rd Annual General Meeting of the Company held on 29th September, 2014, the appointment of M/s. N.C. Aggarwal & Co., Chartered Accountants (Firm Regn. No. 003273N), as statutory auditors of the Company to conduct audit of the books of accounts of the Company for a period of three consecutive years, i.e. upto the conclusion of its 46th Annual General Meeting, be and is hereby ratified and the Board of Directors of the Company be and is hereby authorised to fix the remuneration payable to them for the financial year ending 31st March, 2016.”

SPECIAL BUSINESS:

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

4. TO CONSIDER APPOINTMENT OF MR. SHAILESH GOYAL AS AN INDEPENDENT DIRECTOR.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time, and Clause 49 of the Listing Agreement, Mr. Shailesh Goyal (DIN: 03547239), who was appointed as an Additional Director on 25th March, 2015 by the Board of Directors and whose term expires in the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office shall not be liable to retirement by rotation, to hold office for a term of five consecutive years commencing from 25th March, 2015 till 24th March, 2020.”

5. TO CONSIDER APPOINTMENT OF MRS. VAISHALI DESHMUKH AS AN INDEPENDENT DIRECTOR.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time, and Clause 49 of the Listing Agreement, Mrs. Vaishali Deshmukh (DIN: 07133868), who was appointed as an Additional Director on 25th March, 2015 by the Board of Directors and whose term expires in the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office shall not be liable to retirement by rotation, to hold office for a term of five consecutive years commencing from 25th March, 2015 till 24th March, 2020.”

By order of the Board
For **Nalwa Sons Investments Limited**

Registered Office:
28, Najafgarh Road,
Moti Nagar Industrial Area,
New Delhi – 110 015.
August 08, 2015

(Bhartendu Harit)
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to Section 105 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 a person shall not act as proxy for more than fifty (50) members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total Share Capital of Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. A blank proxy form is sent herewith.
3. The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
4. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to special business to be transacted at the meeting is annexed hereto the relevant details of Directors seeking appointment-reappointment under item Nos. 4 & 5, pursuant to clause 49 of the Listing Agreements entered into with the stock exchanges and Secretarial Standard issued by Institute of Company Secretaries of India are annexed.
5. Under the 'Green Initiative' of the Ministry of Corporate Affairs, Notice of Annual General Meeting is being sent to the members who have registered email ids, through email and to all other members by Regd. Post / Courier.
6. Documents referred to in the accompanying Notice and the Explanatory Statement are open to inspection by the members at the Registered Office and copy of such documents for inspection will be available at Corporate Office, Branch Office of the Company on all working days up to the date of Annual General Meeting between 11:00 AM and 1:00 PM.
7. The business of the meeting may be transacted by the members through electronic voting system. Members who do not have access to e-voting facility have the option to request for physical copy of the Ballot Form by sending an e-mail to investorcare@nalwasons.com by mentioning their Folio / DP ID and Client ID No or download from Company's website www.nalwasons.com. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than 27, September, 2015 (5.00 p.m. IST). Ballot forms received after this date will be treated as invalid. A Member can opt for only one mode of voting i.e. either through E-voting or by Ballot. If a Member casts votes by both modes, then voting done through E-voting shall prevail and voting through ballot shall be treated as invalid.
8. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
9. Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
10. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
11. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
12. For the convenience of the members the route map of the venue of the meeting is depicted at the end of the Annual Report.

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

ITEM NO. 4 and 5

Pursuant to Section 161 and other applicable provisions, if any, the Board of Directors had appointed Mr. Shailesh Goyal and Mrs. Vaishali Deshmukh as Additional Directors, with effect from 25th March 2015. Their appointments were recommended by the Nomination and Remuneration Committee of the Company.

In terms of provisions of Section 161(1) of the Act, being Additional Director,s they will hold office up to the date of ensuing Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors), Rules 2014, and as per the criteria set out under Clause 49 of the Listing Agreement, an Independent Director shall hold office for a period of up to 5 consecutive years and shall not be liable to retire by rotation.

In the opinion of the Board, Mr. Shailesh Goyal and Mrs. Vaishali Deshmukh fulfill the conditions specified under the Act and rules made there under and are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has also received declarations from them that they meet the criteria of Independence as prescribed under Section 149(6) of the Act and Clause 49 of the listing agreement.

The Board of Directors considered the matter of their appointment in its meeting held on 8th August, 2015 on recommendation of the Nomination and Remuneration Committee and felt that their continued association would be of immense benefit to the Company and proposed their appointment as Independent Directors under Section 149 of the Act, whose office shall not be liable to retirement by rotation, to hold office for a term of five years commencing from 25th March, 2015.

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

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

Copies of the draft letters setting out the terms and conditions for the appointments of Mr. Shailesh Goyal and Mrs. Vaishali Deshmukh as Independent Directors are available for inspection by the Members at the Registered Office as well as the copy of such documents will be available at Branch Office and Corporate Office of the Company during normal business hours on working days up to the date of ensuing Annual General Meeting.

The Board recommends the resolutions set out at Item No. 4 and 5 as Ordinary Resolutions to the Shareholders for their approval.

Mr. Shailesh Goyal and Mrs. Vaishali Deshmukh are interested and concerned in the resolution mentioned at Item No. 4 and 5 respectively of the Notice Other than Mr. Shailesh Goyal and Mrs. Vaishali Deshmukh no other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the above referred resolutions.

ADDITIONAL INFORMATION: As required in terms of clause 49 of the listing agreement and secretarial standard 2 issued by the Institute of Company Secretaries of India.

NOTICE

Brief Profile of new directors appointed / re-appointed and the directors, who retire by rotation and are eligible for re-appointment:

| Name of the Director | Mr. Mahender Kumar Goel | Mr. Shailesh Goyal | Mrs. Vaishali Deshmukh |
|---|--|---|--|
| DIN: | 00041866 | 03547239 | 07133868 |
| Date of Birth | 10/12/1957 | 03/04/1983 | 29/03/1976 |
| Date of first Appointment | 01/09/2006 | 25/03/2015 | 25/03/2015 |
| Qualification | Under Graduate | CS, B.COM, LL.B. | Graduate in Science, Post Graduate in Social Work in Labour Welfare and Personnel Management. Currently she is pursuing PHD in Health Management |
| Expertise in specific functional area | He is having rich experience in business management and managing the industrial units. He has experience of more than thirty years in marketing and general administration. | He is having experience in Corporate Laws, SEBI related laws, Foreign Exchange Laws, Legal & Taxation matters | She has 15 years of experience in Public Health Research in the area of Child Health. Her research experience focuses on managing and co-coordinating multi site studies, implementing it at the ground level and contributing it to scientific knowledge. |
| Directorship in other Indian Public Limited Companies as on 31.03.2015 | Sonabheel Tea Limited, Stainless Investments Limited, Jindal Stainless (Hisar) Limited, Nalwa Engineering Company Limited, Colorado Trading Company Limited | India Flysafe Aviation Limited, Jindal Petroleum Limited, Opeline Finance and Investment Limited | Nil |
| Chairman/Membership of Committees in other Indian Public Limited Companies as on 31.03.2015* (C=Chairman; M= Member) | Nil | Audit Committee, Nomination and Remuneration Committee • Opeline Finance and Investment Limited (C) • India Flysafe Aviation Limited (M) • Jindal Petroleum Limited (M) | Nil |
| No. of shares held in the Company as on 31.03.2015 | Nil | Nil | Nil |
| Relationship with other Directors, Managers or KMP | Nil | Nil | Nil |
| Number of meetings of Board attended during the year | 9 | ** | ** |
| Past remuneration | ₹ 16,95,270 | ** | ** |
| Remuneration proposed to be paid and Terms and conditions of appointment/ re-appointment | Remuneration and terms and conditions are as approved by the Shareholders in Annual General Meeting held on 30/09/2011 and shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day excluding Sunday. | The details of terms and conditions of appointment shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Sunday. | |

** Mr. Shailesh Goyal and Mrs. Vaishali Deshmukh were appointed as an Additional Directors w.e.f. 25th March, 2015.

By order of the Board
For **Nalwa Sons Investments Limited**

(Bhartendu Harit)
Company Secretary

Registered Office:
28, Najafgarh Road,
Moti Nagar Industrial Area,
New Delhi – 110 015.
August 08, 2015

FOR ATTENTION OF SHAREHOLDERS

1. The register of members and share transfer books of the Company will remain closed from Wednesday, 16th September, 2015 to Friday, 18th September, 2015 (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, facility for making nominations is available to individuals holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form No. SH-13 prescribed by the Government 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 an Email Id. 'investorcare@nalwasons.com', which is being used exclusively for the purpose of redressing the complaints of the investors.***
7. **Members having old share certificates of Jindal Strips Limited and members having share certificates of erstwhile Jindal Ferro Alloys Limited are hereby requested to surrender their share certificates to NALWA SONS INVESTMENTS LIMITED (Formerly: Jindal Strips Limited), O.P. JINDAL MARG, HISAR – 125005 (HARYANA) INDIA, to enable it to issue new share certificates.**
8. Members should quote their email addresses, telephone / fax numbers to get a prompt reply to their communications.
9. Members desiring any information/clarification on the accounts are requested to write to the Company at least seven days in advance, so as to enable the management to keep the information ready at the Annual General Meeting.
10. 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.
11. Members/proxies are requested to bring the attendance slip, duly filled in.
12. In pursuance of the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached. The annual accounts and other related documents of the subsidiaries will be made available to any member of the Company who may be interested in obtaining the same. The consolidated financial statements of the Company include the financial results of all the subsidiary companies. The members, if they desire, may write to the Company Secretary at Registered Office of the Company to obtain the copy of the annual accounts of the subsidiary companies.

The annual accounts of the Subsidiary Companies would be open and accessible for inspection by the shareholders at Registered Office of the Company and Registered Office of the Subsidiary Companies on any working day except holidays till the date of the Annual General Meeting between 11:00 a.m. and 1:00 p.m.

13. **Information and other instructions relating to E-voting are as under :-**

Pursuant to Section 108 of the Act read with the Companies (Management and Administration) Rules 2014 and as amended, the Company is pleased to provide E-Voting facility as an alternate for Shareholders of the Company to enable them to cast their votes electronically on the resolutions mentioned in the Notice of the 44th Annual General Meeting of the Company to be held on 28th day of September, 2015. For this purpose, necessary arrangements have been made with the Central Depository Services (India) Limited ("CDSL") to facilitate e-voting. E-Voting is optional to the shareholders. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ("remotee-voting"). The Company has appointed Mr. Surinder Vashishtha of M/s Surinder Vashishtha & Associates, Practicing Company Secretary (CP No. 12313) as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. The list of shareholders/ beneficial owners shall be reckoned on the equity shares as on September 21, 2015.

Process and Manner for Shareholders opting for e-voting :

- (i) The remote e-voting period begins on September 25, 2015 at 9:00 a.m. (IST) and ends on September 27, 2015 at 5:00p.m. (IST) During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 21, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) A person who is not a Member as on the cut off date should treat this Notice for information purposes only.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website www.evotingindia.com.
- (v) Click on Shareholders.

NOTICE

(vi) 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.

(vii) Next enter the Image Verification as displayed and Click on Login.

(viii) 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.

(ix) 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) |
| Dividend | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Bank Details OR demat in your demat account or in the company records in order to login. |
| Date of Birth (DOB) | <ul style="list-style-type: none"> 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). |

(x) After entering these details appropriately, click on "SUBMIT" tab.

(xi) 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.

(xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xiii) Click on the EVSN for the relevant "Nalwa Sons Investments Limited" on which you choose to vote.

(xiv) 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.

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

(xvi) 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.

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

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

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

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for 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.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded 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 dispatch of the Notice and holding shares as on the cut-off date i.e., 21st September, 2015 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 Company Secretary at O. P. Jindal Marg, Hisar or email at investorcare@nalwasons.com.

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

DIRECTORS' REPORT

To

THE MEMBERS,

Your Directors have pleasure in presenting the forty fourth annual report of the Company together with the audited statement of accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS

The Financial performance of the Company during the year 2014-15 is summarized below:

| PARTICULARS | (₹ in Crore) | |
|--|-------------------------|-------------------------|
| | Year Ended 31.3.2015 | Year Ended 31.3.2014 |
| Interest and dividend income/ Other Income | 21.30 | 21.60 |
| Profit before Interest, Depreciation and Tax | 4.24 | 21.06 |
| Provision for Income Tax | 3.63 | 4.03 |
| Provision / (Assets) for Deferred Tax | (5.48) | (0.30) |
| Net Profit / (Loss) after Tax | 6.09 | 17.33 |
| Add/(Less): Surplus brought forward | 90.22 | 76.36 |
| Profit/ (Loss) available for appropriation | 96.31 | 93.69 |
| Transfer to Statutory Reserve | 1.22 | 3.47 |
| Balance carried to Balance Sheet | 95.09 | 90.22 |

FINANCIAL, OPERATIONAL REVIEW & FUTURE PROSPECTS

During the year ended 31st March, 2015, the Income of the Company by way of dividend, interest and other income stood up at ₹ 21.30 crore as compared to ₹ 21.60 crore during the previous year. Profit before interest, depreciation and tax stood at ₹ 4.24 crore as compared to ₹ 21.06 crore during previous year. Net Profit after tax stood at ₹ 6.09 crore as compared to ₹ 17.33 crore during the previous year.

An amount of ₹ 1.22 crore was transferred to Statutory Reserve Fund pursuant to Section 45-IC of the Reserve Bank of India Act, 1934, during the financial year under review.

Your Company holds significant investments in equity shares of steel manufacturing companies of O.P. Jindal group. The growth in Steel Sector in India is likely to sustain in coming years, therefore, the performance of the Investee Companies is also expected to improve in the ensuing years. The development in Architectural, Building and Construction sector being undertaken in India is also expected to give a further boost to the Steel industry and your Company is looking forward for a sustainable growth in its Investee Companies in the coming years which would enhance the shareholders' value.

CONSOLIDATED ACCOUNTS

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates and AS - 27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

SUBSIDIARY COMPANIES / JOINT VENTURES / ASSOCIATE COMPANIES

As on 31st March, 2015, the Company had 5 direct and step down subsidiaries, namely (i) Jindal Steel & Alloys Ltd. (JSAL) (ii) Jindal Holdings Ltd. (JHL) (iii) Jindal Stainless (Mauritius) Ltd. (JSML) (iv) Massillon Stainless Inc. (MSI) - through JSML and (v) Brahmaputra Capital & Financial Services Ltd.

A separate statement containing the salient features of financial statements of all subsidiary companies of your Company forms part of the consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013. The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link:

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

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

SHARE CAPITAL

The paid up capital of the Company is ₹ 5,13,61,630/- divided into 51,36,163 equity shares of ₹ 10/- each.

DIVIDEND

The Directors have not recommended declaration of any dividend on equity shares for the year ended 31st March, 2015 in order to conserve the resources for future.

TRANSFER TO RESERVES

Your Company has transferred an amount of ₹ 608.95 lacs out of profit to the Reserves for the financial year 2014-15.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

There is no unclaimed and unpaid dividend remaining due with the Company. Hence, the Company has not transferred any amount to Investor Education and Protection Fund of Government of India during the year 2014-15 in pursuance to Section 124 of the Companies Act, 2013.

EMPLOYEES STOCK OPTION SCHEME

The Company has not granted any stock options during the Financial Year 2014-15.

DIRECTORS AND KEY-MANAGERIAL PERSONNEL

During the Financial Year 2014-15, the Board of Directors appointed Mr. Shailesh Goyal and Mrs. Vaishali Deshmukh as Additional Directors with effect from 25th March 2015. In terms of the provisions of Section 161 of the Companies Act, 2013, both Mr. Shailesh Goyal and Mrs. Vaishali Deshmukh shall hold office up to the date of the ensuing Annual General Meeting. The Company has received notice (s) under Section 160 of the Companies Act, 2013 from members signifying their candidature for appointment as Director. Necessary resolutions for the appointments of the aforesaid Directors will be placed before the shareholders for their approval.

Mr. Mahender Kumar Goel, who retires by rotation at the ensuing Annual General Meeting under the provisions of the Companies Act, 2013 and being eligible, has offered himself for re-appointment.

Brief resumes of the above mentioned Directors, nature of their expertise in specific functional areas, details of Directorship in other companies and the membership / chairmanship of committees of the board, as stipulated under Clause 49 of the listing agreement with the stock exchanges and secretarial standard- 2 issued by the Institute of Company Secretaries of India are given in the Notice forming part of the Annual Report.

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

http://www.nalwasons.com/pdf/Policy%20on%20familiarisation%20programme%20for%20independent%20directors_NSIL.pdf

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

POLICY ON DIRECTORS, KMP & OTHER EMPLOYEES APPOINTMENT AND REMUNERATION

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors has approved the Remuneration Policy on the Recommendation of the Nomination and Remuneration Committee of the Company. The said policy is attached to this Report at Annexure – A.

FIXED DEPOSIT

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

PAYMENT OF LISTING FEE

The equity shares of your Company have been listed on BSE Limited, Mumbai (BSE) and National Stock Exchange of India Limited, Mumbai (NSE). The annual listing fee for the year 2015-16 has been paid to both the stock exchanges where the equity shares of your Company are listed. No shares of the Company were delisted during the financial year 2014-15.

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

Since the Company is not engaged in any manufacturing activity, particulars under section 134(4)(l) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption are not available.

Foreign exchange earnings: Nil

Foreign exchange outgo : Nil

DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES

The information required under Section 197 (12) of the Act read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure - B.

There were no employees covered under Rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014.

RESERVE BANK OF INDIA GUIDELINES

Your Company has duly complied with all applicable rules, regulations and guidelines issued by Reserve Bank of India for NBFCs from time to time.

Pursuant to the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, issued by RBI, your Company is a Systematically Important Non-Deposit Taking Non-Banking Financial Company having an asset size of more than ₹ 100 crore.

The Company falls in the category of a Core Investment Company (CIC) in terms of the Core Investment Companies (Reserve Bank) Directions, 2011. The Company would continue to carry on the business permitted to a CIC in terms of the Core Investment Companies (Reserve Bank) Directions, 2011.

AUDITORS

a) Statutory Auditor:

The members of the Company had, at its AGM held on September 29, 2014 appointed M/s. N.C. Aggarwal & Co., as the Statutory Auditors of the Company for a period of three (3) consecutive years from the conclusion of the 43rd AGM to the conclusion of 46th AGM subject to the ratification of their appointment every year. They have confirmed that their appointment, if ratified, at the ensuing AGM will be within the limits prescribed under section 139 of the Companies Act, 2013 and that they are not disqualified for re-appointment under section 141 of the Companies Act, 2013.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

b) Secretarial Auditor:

The Board has appointed Mr. Rajesh Garg of M/s. Rajesh Garg & Co., Practicing Company Secretary (CP No - 4093), to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended on March 31, 2015 is annexed herewith marked as Annexure - C to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with CSR Rules, the Company has constituted CSR Committee and formulated CSR Policy. The Policy primarily rests on four broad categories: Environment, Health, Education and Community Development.

Though the CSR Policy was formulated, the Company has not contributed to CSR activities as prescribed in CSR Policy. Despite rigorous efforts, management was not able to find suitable institution/organization through which CSR activities can be performed effectively to benefit the society at large.

The Disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report at Annexure - D.

The CSR Policy can be accessed on the Company's website at the link: <http://www.nalwasons.com/pdf/CSR%20Policy-NSIL.pdf>

INTERNAL FINANCIAL CONTROLS

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

SEXUAL HARASSMENT CASES

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

AUDIT COMMITTEE

The Audit Committee comprises of the following three Independent Directors:

| Sl. No. | Name | Status |
|---------|-----------------------------|----------|
| 1 | Mr. Rajinder Parkash Jindal | Chairman |
| 2 | Mr. R.G.Garg | Member |
| 3 | Mr. Rakesh Garg | Member |

All the recommendations made by the Audit Committee during the financial year 2014-15 were accepted by the Board.

STOCK EXCHANGES WHERE THE SHARES ARE LISTED

National Stock Exchange of India Limited,
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

EXTRACT OF ANNUAL RETURN

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

NUMBER OF BOARD MEETINGS

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

DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Clause 49 of the Listing Agreement.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) read with Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has formulated a Vigil Mechanism namely, Whistle Blower Policy for directors, employees and business partners to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy is posted on the website of the Company and can be accessed at the link: <http://www.nalwasons.com/pdf/Whistle%20Blower%20Policy.pdf>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

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

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is not required. The Board has formulated Policy on Related Party Transactions.

The Policy on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.nalwasons.com/pdf/Policy%20on%20dealing%20with%20Related%20Party%20Transactions.pdf>

Your Directors draw attention of the members to Note - 15 to the financial statement which sets out related party disclosures.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY (OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE DIRECTORS REPORT)

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

RISK MANAGEMENT

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

THE CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of Company's business during the financial year ended on 31st March, 2015.

THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (3) (c) read with 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;

DIRECTORS' REPORT

- (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, 2015 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; and
- (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.
- (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 Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the stock exchanges, forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

HUMAN RESOURCES

The Company continues to put due emphasis on appropriate human resource development for its business. The employees of your Company and the Group fully identify with the Company's and Group's vision and business goals.

E-VOTING PLATFORM

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, your Company is registered with CDSL for E-Voting services to set up an electronic platform to facilitate shareholders to cast vote in electronic form to exercise their right of voting at General Meetings /business to be transacted by means of voting through e-voting or poll or ballot paper as provided under the Companies Act, 2013.

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: Hisar
Date : August 8, 2015

Mahender Kumar Goel
Executive Director & C.E.O.
(DIN: 00041866)

Rajinder Parkash Jindal
Director
(DIN: 00004594)

Annexure – A to Directors' Report**Remuneration Policy****1.0 Introduction**

- 1.1 Remuneration at Nalwa Sons Investments Limited ("the Company") is based on the principles of performance, equitableness and competitiveness. This Remuneration Policy has been designed to reflect these principles and to attract, motivate and retain quality manpower for driving the Company successfully.
- 1.2 This Remuneration Policy is based on the requirements of Section 178 of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement (effective from 1st October, 2014) and has been recommended by the Nomination and Remuneration Committee to the Board of Directors and approved by the Board of Directors of the Company at its meeting held on 12th August, 2014.
- 1.3 This Remuneration Policy applies to the Board of Directors, Key Management Personnel (KMPs) and Senior Management Personnel of the Company.
- 1.4 This Remuneration Policy shall be effective from 12th August, 2014.

2.0 Objectives

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

3.0 Definitions

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

4.0 Guiding Principles

- 4.1 The Company shall follow the following guiding principles in order to attract, motivate and retain talent in the Company:
- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to Directors, KMPs and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

5.0 General

This Policy is divided in five parts:

- Part-A** covers criteria for determining qualifications, positive attributes of Directors, KMPs and Senior Management Personnel and also independence of Independent Directors.
- Part-B** covers Induction and Training of Directors.
- Part-C** covers Performance Evaluation of Board, its Committees and Directors including Independent Directors.
- Part-D** covers Remuneration of Directors, KMPs and Senior Management Personnel.
- Part-E** covers Board Diversity.

DIRECTORS' REPORT

6.0 PART – A

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

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

7.0 PART-B

Induction and Training of Directors

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

8.0 PART-C

Performance Evaluation of Board, its Committees and Directors

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

9.0 PART-D

Remuneration of Directors, KMPs and Senior Management Personnel

1. The remuneration of the Executive Directors, KMPs and Senior Management Personnel should be based on Company's financial position, industrial trends, remuneration paid by peer companies. The remuneration should be reasonable and sufficient to attract retain and motivate the aforesaid persons.
2. Remuneration to Executive Directors shall be paid by way of salary (including fixed pay and variable pay), perquisites and retirement benefits, based on recommendation of the Committee and approval of the Board and Shareholders. The overall managerial remuneration shall be within the ceilings stipulated under Section 197 read with Schedule V of the Act.
3. The Non-executive directors may be paid remuneration by way of sitting fee for attending the meetings of the Board and/or Committees thereof.
4. The KMPs shall be paid remuneration approved by the Board of Directors. The Senior Management Personnel shall be paid remuneration in line with the Company's internal HR policy.
5. Increments in the existing remuneration of Executive Directors and KMPs shall be approved by the Committee within the limits prescribed under the Act. Increments in the remuneration of Senior Management Personnel shall be as per Company's HR policy.

10.0 PART-E

Board Diversity

Board appointments will be based on merit and candidates will be considered on the basis of their skills, knowledge, experience and background, gender and other distinguishing qualities, having due regard to the effectiveness of the Board. It will be ensured that the Board possesses a balance of skills appropriate for the requirements of the business of the Company. The Directors should have a mix of finance, legal, academic and management backgrounds that taken together provide the Company with considerable experience in a range of activities including varied industries, education, government, banking, investment and other professions.

11.0 Applicability of the Remuneration Policy

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

12.0 Amendment

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

13.0 Dissemination

The key features of this Remuneration Policy shall be published in the Annual Report and uploaded on the website of the Company in accordance with the Companies Act 2013 and the revised Clause 49 of the Listing Agreement (effective from 1st October, 2014).

Annexure – B to Directors' Report

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Sr. No. | Name of the Director/KMP and Designation | Remuneration of Director /KMP for financial year 2014-15 (Amount in ₹) | % increase in Remuneration in the Financial Year 2014-15 | Ratio of remuneration of each Director/KMP to median remuneration of employees | Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company |
|---------|---|---|--|--|--|
| 1 | Mr. Mahender Kumar Goel, Executive Director & Chief Executive Officer | 16,95,270 | 7.69 | 1.05 | Remuneration increased by 7.69% whereas profit before tax decreased by 79.87% |
| 2 | Mr. Mahabir Prashad Gupta*, Chief Financial Officer | 19,96,258 | - | 1.24 | - |
| 3 | Mr. Bhartendu Harit, Company Secretary | 15,28,638 | 15.83 | 0.95 | Remuneration increased by 15.83% whereas profit before tax decreased by 79.87% |
| 4 | Mr. R.G. Garg, Independent Director | - | - | - | No remuneration was paid during the year |
| 5 | Mr. Rajinder Parkash Jindal Independent Director | - | - | - | |
| 6 | Mr. Rakesh Garg, Independent Director | - | - | - | |
| 7 | Mrs. Vaishali Deshmukh, Independent Director | - | - | - | |
| 8 | Mr. Shailesh Goyal, Independent Director | - | - | - | |

* Mr. Mahabir Prashad Gupta was appointed as Chief Financial Officer with effect from August 08, 2014.

| Sr. No. | Requirement | Information |
|---------|---|---|
| 1 | % increase in the median remuneration of employees in the Financial Year | 22.15% |
| 2 | No. of permanent employees on the rolls of the Company | 4 (Four) as on 31st March, 2015 |
| 3 | Explanation on the relationship between average increase in remuneration and company performance | Increase in remuneration depends on various factors like company's performance, benchmarking, inflationary trends, talent availability & turnover apart from individual performance of employees. The average % increase in remuneration in F.Y 2014-15 was 10.73%. The Company's performance in terms of PBT decreased by 79.87% over previous year. |
| 4 | Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company. | Total KMP remuneration ₹ 52.20 lacs is 12.31% of PBT for F.Y. 2014-15 |
| 5 | Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year | a) The Market capitalisation as on March 31, 2015 was ₹ 324.58 crores (₹ 310.71 crores as on March 31, 2014) b) Price Earning Ratio as on March 31, 2015 was ₹ 53.28 (₹ 17.93 as on March, 2014) c) The Company had made Initial Public Offer in the year 1986 for ₹ 10 per share at a premium of ₹ 8 per share. The market price of the Company's share as on March, 31 2015 was ₹ 631.95. |
| 6 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | Average percentage increase in salaries of the employees other than managerial personnel in the financial year 2014-15 was 12.25% whereas increase in managerial remuneration was 7.69%. |
| 7 | The key parameters for any variable component of remuneration availed by the directors | The variable component of pay is dependent upon Company's Performance, Individual Performance and market trends. |
| 8 | The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year | 0.85:1 |
| 9 | Affirmation that the remuneration is as per the remuneration policy of the company | Affirmed |

DIRECTORS' REPORT

Annexure – C to Directors' Report

Form No. MR-3
SECRETARIAL AUDIT REPORT
For The Financial Year Ended On 31st March, 2015
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
Nalwa Sons Investments Limited
CIN: L65993DL1970PLC146414
28 Najafgarh Road,
Moti Nagar Industrial Area,
New Delhi – 110 015.

We have conducted the Secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Nalwa Sons Investments 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 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 audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has adequate Board processes and compliance mechanism in place to the extent in the manner and subject to reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Nalwa Sons Investments Limited** for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 1956, to the extent applicable, The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the audit period).
- (vi) Other laws applicable to the company as per the representations made by the company.

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

The Listing Agreements entered into by the Company with BSE Limited, and National Stock Exchange of India Limited.

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India were not applicable for the financial year under review and were only optional. Therefore, we have not commented on the said compliances.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report, that the compliance by the company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory financial audit and other designated professionals.

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.

DIRECTORS' REPORT**Annexure – E to Directors' Report**

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | |
|-------|---|--|
| (i) | CIN | L65993DL1970PLC146414 |
| (ii) | Registration Date | 18 th November, 1970 |
| (iii) | Name of the Company | Nalwa Sons Investments Limited |
| (iv) | Category / Sub-category of the Company | Public company limited by shares |
| (v) | Address of the Registered office and contact details | 28, Najafgarh Road, Moti Nagar Industrial Area, New Delhi- 110015 Email: investorcare@nalwasons.com, Phone No. (011) 45021854 |
| (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. | Dividend | 642 | 48% |
| 2. | Interest | 642 | 52% |

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 Steel & Alloys Ltd.(JSAL) | U74920GJ1993PLC069400 | Subsidiary | 99.99% | 2(87)(ii) |
| 2 | Jindal Holdings Limited(JHL) | U74920GJ1990PLC066451 | Subsidiary | 86.95% | 2(87)(ii) |
| 3 | Jindal Stainless (Mauritius) Limited. (JSML) # | NA | Subsidiary | 100% | 2(87)(ii) |
| 4 | Massillon Stainless Inc.(MSI), USA | NA | Step down Subsidiary of JSML | 45.63%/61%* | 2(87)(ii) |
| 5 | Brahmaputra Capital and Financial Services Limited. # | U74899GJ1994PLC065464 | Subsidiary | 50.10% | 2(87)(ii) |

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

* Represent voting power

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 1 st April, 2014 | | | | No. of Shares held at the end of the year 31 st March, 2015 | | | | % Change during the year |
|--|--|----------|-----------|-------------------|---|----------|-----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a. Individual/ HUF | 35,041 | - | 35,041 | 0.68 | 35,041 | - | 35,041 | 0.68 | - |
| b. Central Govt./State Govt.(s) | - | - | - | - | - | - | - | - | - |
| c. Bodies Corp. | *27,99,268 | 12,721 | 28,11,989 | 54.75 | *27,99,268 | 12,721 | 28,11,989 | 54.75 | - |
| d. Banks / FI | - | - | - | - | - | - | - | - | - |
| e. Any Other | - | - | - | - | - | - | - | - | - |
| Sub-total(A) (1) | 28,34,309 | 12,721 | 28,47,030 | 55.43 | 28,34,309 | 12,721 | 28,47,030 | 55.43 | - |
| (2) Foreign | | | | | | | | | |
| a. Individuals (NRIs/ Foreign Ind) | 9,480 | - | 9,480 | 0.18 | 9,480 | - | 9,480 | 0.18 | - |
| b. Bodies Corp. | - | - | - | - | - | - | - | - | - |
| c. Institutions | - | - | - | - | - | - | - | - | - |
| d. Qualified Foreign Investor | - | - | - | - | - | - | - | - | - |
| e. Any Other | - | - | - | - | - | - | - | - | - |
| Sub-total(A) (2) | 9,480 | - | 9,480 | 0.18 | 9,480 | - | 9,480 | 0.18 | - |
| Total shareholding of Promoter(A) =(A)(1)+(A)(2) | 28,43,789 | 12,721 | 28,56,510 | 55.62 | 28,43,789 | 12,721 | 28,56,510 | 55.62 | - |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a. Mutual Funds/UTI | 523 | 897 | 1420 | 0.03 | 523 | 897 | 1420 | 0.03 | - |
| b. Banks/ FI | 193 | 1157 | 1350 | 0.03 | 193 | 1157 | 1350 | 0.03 | - |
| c. Central Govt./ State Govt.(s) | - | - | - | - | - | - | - | - | - |
| d. Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| e. Insurance Companies | 28,126 | - | 28,126 | 0.55 | 28,126 | - | 28,126 | 0.55 | - |
| f. FIs | 2,16,200 | 701 | 2,16,901 | 4.22 | 12 | 701 | 713 | 0.01 | (4.21) |
| g. Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| h. Qualified Foreign Investor | - | - | - | - | - | - | - | - | - |
| i. Foreign Portfolio Investors Corporates | - | - | - | - | 2,16,188 | - | 2,16,188 | 4.21 | 4.21 |
| j. Any other | - | - | - | - | - | - | - | - | - |
| Sub-total (B) (1) | 2,45,042 | 2,755 | 2,47,797 | 4.82 | 2,45,042 | 2,755 | 2,47,797 | 4.82 | - |
| (2) Non-Institutions | | | | | | | | | |
| a. Bodies Corp. | 1,46,991 | 4,502 | 1,51,493 | 2.95 | 1,73,698 | 4,458 | 1,78,156 | 3.47 | 0.52 |
| b. Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto ₹ 1 lakh | 4,37,949 | 1,79,501 | 6,17,450 | 12.02 | 4,24,737 | 1,73,749 | 5,98,486 | 11.65 | (0.37) |
| (ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 4,42,601 | - | 4,42,601 | 8.62 | - | - | - | - | (8.62) |
| c. Qualified Foreign Investor | - | - | - | - | - | - | - | - | - |
| d. Any other Trusts | 2443 | - | 2443 | 0.05 | 208 | - | 208 | 0.00 | - |
| (i) Non Resident Indians | 7,60,709 | 36420 | 7,97,129 | 15.52 | 1,200,077 | 35,250 | 1,235,327 | 24.05 | 8.53 |
| (ii) Overseas Corporate Bodies | - | 97 | 97 | 0.00 | - | 97 | 97 | 0.00 | - |
| (iii) Foreign nationals | 227 | - | 227 | 0.00 | 227 | - | 227 | 0.00 | - |
| (iv) Clearing Members | 751 | - | 751 | 0.01 | 219 | - | 219 | 0.00 | (0.01) |
| (v) Hindu Undivided Families | 19,478 | 187 | 19,665 | 0.38 | 18,949 | 187 | 19,136 | 0.37 | (0.01) |
| Sub-total (B) (2) | 18,11,149 | 2,20,707 | 20,31,856 | 39.56 | 18,18,115 | 2,13,741 | 20,31,856 | 39.56 | - |
| Total shareholding of Promoter (B)=(B)(1)+(B)(2) | 20,56,191 | 2,23,462 | 22,79,653 | 44.38 | 20,63,157 | 2,16,496 | 22,79,653 | 44.38 | - |

DIRECTORS' REPORT**C. Shares held by Custodian and against which GDS have been Issued**

| | | | | | | | | | |
|-------------------------------|------------------|-----------------|------------------|------------|------------------|-----------------|------------------|------------|----------|
| Promoter & Promoter Group | - | - | - | - | - | - | - | - | - |
| Public | - | - | - | - | - | - | - | - | - |
| Grand Total(A)+(B)+(C) | 48,99,980 | 2,36,183 | 51,36,163 | 100 | 49,06,946 | 2,29,217 | 51,36,163 | 100 | - |

* As on March 31, 2015, -12721 equity shares (28,11,989-27,99,268) held by bodies corporate as shown under Indian promoter group in physical mode are sub-judice and therefore could not been dematerialized till further direction of the Hon'ble Court.

(ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year 1 st April, 2014 | | | Shareholding at the end of the year 31 st March, 2015 | | | % change in share holding during the year | |
|---------|--------------------------------------|---|----------------------------------|---|--|----------------------------------|---|---|----------|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ the encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ the encumbered to total shares | | |
| 1 | ABHYUDAY JINDAL | 1,206 | 0.02 | - | 1,206 | 0.02 | - | - | - |
| 2 | ARTI JINDAL | 781 | 0.02 | - | 781 | 0.02 | - | - | - |
| 3 | DEEPIKA JINDAL | 3,760 | 0.07 | - | 3,760 | 0.07 | - | - | - |
| 4 | GOSWAMIS CREDIT & INVESTMENT LIMITED | 12,721 | 0.25 | - | 12,721 | 0.25 | - | - | - |
| 5 | JSW HOLDINGS LIMITED | 25,014 | 0.49 | - | 25,014 | 0.49 | - | - | - |
| 6 | NAVEEN JINDAL | 692 | 0.01 | - | 692 | 0.01 | - | - | - |
| 7 | NAVEEN JINDAL HUF | 5,854 | 0.11 | - | 5,854 | 0.11 | - | - | - |
| 8 | PARTH JINDAL | 1,497 | 0.03 | - | 1,497 | 0.03 | - | - | - |
| 9 | PRITHVI RAJ JINDAL | 1,698 | 0.03 | - | 1,698 | 0.03 | - | - | - |
| 10 | P R JINDAL HUF | 3,163 | 0.06 | - | 3,163 | 0.06 | - | - | - |
| 11 | RATAN JINDAL | 4,024 | 0.08 | - | 4,024 | 0.08 | - | - | - |
| 12 | R.K. JINDAL & SONS HUF | 756 | 0.01 | - | 756 | 0.01 | - | - | - |
| 13 | SAJJAN JINDAL | 2,592 | 0.05 | - | 2,592 | 0.05 | - | - | - |
| 14 | S K JINDAL & SONS HUF | 1,809 | 0.04 | - | 1,809 | 0.04 | - | - | - |
| 15 | SANGITA JINDAL | 2,547 | 0.05 | - | 2,547 | 0.05 | - | - | - |
| 16 | SARIKA JHUNJHUNWALA | 4,250 | 0.08 | - | 4,250 | 0.08 | - | - | - |
| 17 | SAROJ BHARTIA | 2 | 0.00 | - | 2 | 0.00 | - | - | - |
| 18 | SAVITRI DEVI JINDAL | 4815 | 0.09 | - | 4815 | 0.09 | - | - | - |
| 19 | SEEMA JAJODIA | 49 | 0.00 | - | 49 | 0.00 | - | - | - |
| 20 | SMINU JINDAL | 2,382 | 0.05 | - | 2,382 | 0.05 | - | - | - |
| 21 | TANVI JINDAL | 652 | 0.01 | - | 652 | 0.01 | - | - | - |
| 22 | TARINI JINDAL | 651 | 0.01 | - | 651 | 0.01 | - | - | - |
| 23 | TRIPTI JINDAL | 662 | 0.01 | - | 662 | 0.01 | - | - | - |
| 24 | URMILA BHUWALKA | 48 | 0.00 | - | 48 | 0.00 | - | - | - |
| 25 | URVI JINDAL | 631 | 0.01 | - | 631 | 0.01 | - | - | - |
| 26 | HEXA TRADEX LIMITED | 100 | 0.00 | - | 100 | 0.00 | - | - | - |
| 27 | GLEBE TRADING PRIVATE LIMITED | 1,22,306 | 2.38 | - | 1,22,306 | 2.38 | - | - | - |
| 28 | VINAMRA CONSULTANCY PRIVATE LIMITED | 1,21,244 | 2.36 | - | 1,21,244 | 2.36 | - | - | - |
| 29 | JSL LIMITED | 1,20,615 | 2.35 | - | 1,20,615 | 2.35 | - | - | - |
| 30 | JINDAL COAL PRIVATE LIMITED | 1,24,446 | 2.42 | - | 1,24,446 | 2.42 | - | - | - |
| 31 | DANTA ENTERPRISES PRIVATE LIMITED | 5,71,386 | 11.12 | - | 5,71,386 | 11.12 | - | - | - |
| 32 | SAHYOG TRADCORP PRIVATE LIMITED | 5,71,386 | 11.12 | - | 5,71,386 | 11.12 | - | - | - |
| 33 | VIRTUOUS TRADECORP PRIVATE LIMITED | 5,71,385 | 11.12 | - | 5,71,385 | 11.12 | - | - | - |
| 34 | OPJ TRADING PRIVATE LIMITED | 5,71,386 | 11.12 | - | 5,71,386 | 11.12 | - | - | - |
| | Total | 28,56,510 | 55.62 | - | 28,56,510 | 55.62 | - | - | - |

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

| Sl. No. | Name of the Shareholder | Shareholding at the beginning of the year | | Cumulative Shareholding during Year | | Date wise Increase/ Decrease in promoter shareholding during the year | | | |
|---------|--------------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|---|------|-----------|-------------------------------------|
| | | No. of Shares held as on 01/04/2014 | % of total shares of the company | No. of Shares held as on 31/03/2015 | % of total shares of the company | Date | Sold | Purchased | No. of share at the end of the year |
| 1 | ABHYUDAY JINDAL | 1,206 | 0.02 | 1,206 | 0.02 | No Change | | | |
| 2 | ARTI JINDAL | 781 | 0.02 | 781 | 0.02 | No Change | | | |
| 3 | DEEPIKA JINDAL | 3,760 | 0.07 | 3,760 | 0.07 | No Change | | | |
| 4 | GOSWAMIS CREDIT & INVESTMENT LIMITED | 12,721 | 0.25 | 12,721 | 0.25 | No Change | | | |
| 5 | JSW HOLDINGS LIMITED | 25,014 | 0.49 | 25,014 | 0.49 | No Change | | | |
| 6 | NAVEEN JINDAL | 692 | 0.01 | 692 | 0.01 | No Change | | | |
| 7 | NAVEEN JINDAL HUF | 5,854 | 0.11 | 5,854 | 0.11 | No Change | | | |
| 8 | PARTH JINDAL | 1,497 | 0.03 | 1,497 | 0.03 | No Change | | | |
| 9 | PRITHVI RAJ JINDAL | 1,698 | 0.03 | 1,698 | 0.03 | No Change | | | |
| 10 | P R JINDAL HUF | 3,163 | 0.06 | 3,163 | 0.06 | No Change | | | |
| 11 | RATAN JINDAL | 4,024 | 0.08 | 4,024 | 0.08 | No Change | | | |
| 12 | R.K. JINDAL & SONS HUF | 756 | 0.01 | 756 | 0.01 | No Change | | | |
| 13 | SAJJAN JINDAL | 2,592 | 0.05 | 2,592 | 0.05 | No Change | | | |
| 14 | S K JINDAL & SONS HUF | 1,809 | 0.04 | 1,809 | 0.04 | No Change | | | |
| 15 | SANGITA JINDAL | 2,547 | 0.05 | 2,547 | 0.05 | No Change | | | |
| 16 | SARIKA JHUNJHUNWALA | 4,250 | 0.08 | 4,250 | 0.08 | No Change | | | |
| 17 | SAROJ BHARTIA | 2 | 0.00 | 2 | 0.00 | No Change | | | |
| 18 | SAVITRI DEVI JINDAL | 4815 | 0.09 | 4815 | 0.09 | No Change | | | |
| 19 | SEEMA JAJODIA | 49 | 0.00 | 49 | 0.00 | No Change | | | |
| 20 | SMINU JINDAL | 2,382 | 0.05 | 2,382 | 0.05 | No Change | | | |
| 21 | TANVI JINDAL | 652 | 0.01 | 652 | 0.01 | No Change | | | |
| 22 | TARINI JINDAL | 651 | 0.01 | 651 | 0.01 | No Change | | | |
| 23 | TRIPTI JINDAL | 662 | 0.01 | 662 | 0.01 | No Change | | | |
| 24 | URMILA BHUWALKA | 48 | 0.00 | 48 | 0.00 | No Change | | | |
| 25 | URVI JINDAL | 631 | 0.01 | 631 | 0.01 | No Change | | | |
| 26 | HEXA TRADEX LIMITED | 100 | 0.00 | 100 | 0.00 | No Change | | | |
| 27 | GLEBE TRADING PRIVATE LIMITED | 1,22,306 | 2.38 | 1,22,306 | 2.38 | No Change | | | |
| 28 | VINAMRA CONSULTANCY PRIVATE LIMITED | 1,21,244 | 2.36 | 1,21,244 | 2.36 | No Change | | | |
| 29 | JSL LIMITED | 1,20,615 | 2.35 | 1,20,615 | 2.35 | No Change | | | |
| 30 | JINDAL COAL PRIVATE LIMITED | 1,24,446 | 2.42 | 1,24,446 | 2.42 | No Change | | | |
| 31 | DANTA ENTERPRISES PRIVATE LIMITED | 5,71,386 | 11.12 | 5,71,386 | 11.12 | No Change | | | |
| 32 | SAHYOG TRADCORP PRIVATE LIMITED | 5,71,386 | 11.12 | 5,71,386 | 11.12 | No Change | | | |
| 33 | VIRTUOUS TRADECORP PRIVATE LIMITED | 5,71,385 | 11.12 | 5,71,385 | 11.12 | No Change | | | |
| 34 | OPJ TRADING PRIVATE LIMITED | 5,71,386 | 11.12 | 5,71,386 | 11.12 | No Change | | | |

DIRECTORS' REPORT

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

| Sl. No. | Name of the Shareholder | Shareholding at the beginning of the year | | Cumulative Shareholding during Year | | Date wise Increase/Decrease in promoter shareholding during the year | | | No. of share at the end of the year |
|---------|-----------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|--|-------|-----------|-------------------------------------|
| | | No. of Shares held as on 01/04/2014 | % of total shares of the company | No. of Shares held as on 31/03/2015 | % of total shares of the company | Date | Sold | Purchased | |
| 1 | RICKY ISHWARDAS KIRPALANI | 4,05,561 | 7.90 | 4,05,561 | 7.90 | No Change | | | |
| 2 | KESWANI HARESH | 3,04,830 | 5.93 | 3,01,192 | 5.86 | 9/5/2014 | - | 712 | 3,05,542 |
| | | | | | | 16/5/2014 | - | 150 | 3,05,692 |
| | | | | | | 6/6/2014 | 500 | - | 3,05,192 |
| | | | | | | 12/9/2014 | 4000 | - | 3,01,192 |
| 3 | ANIL ARYA | 2,49,285 | 4.85 | 2,49,285 | 4.85 | No Change | | | |
| 4 | VAISHALLI ARYA | 1,93,316 | 3.76 | 1,93,316 | 3.76 | No Change | | | |
| 5 | ACACIA PARTNERS LP | 79,236 | 1.54 | 79,236 | 1.54 | No Change | | | |
| 6 | ACACIA INSTITUTIONAL PARTNERS, LP | 89,082 | 1.73 | 89,082 | 1.73 | No Change | | | |
| 7 | IL AND FS TRUST CO LTD | 1,04,244 | 2.03 | 1,37,737 | 2.68 | 4/4/2014 | - | 852 | 1,05,096 |
| | | | | | | 11/4/2014 | - | 46 | 1,05,142 |
| | | | | | | 25/4/2014 | - | 101 | 1,05,243 |
| | | | | | | 2/5/2014 | 3,302 | — | 1,01,941 |
| | | | | | | 9/5/2014 | 2,094 | — | 99,847 |
| | | | | | | 16/5/2014 | — | 906 | 1,00,753 |
| | | | | | | 30/5/2014 | — | 5,481 | 1,06,234 |
| | | | | | | 6/6/2014 | — | 4,185 | 1,10,419 |
| | | | | | | 13/6/2014 | — | 386 | 1,10,805 |
| | | | | | | 20/6/2014 | — | 1,078 | 1,11,883 |
| | | | | | | 30/6/2014 | — | 502 | 1,12,385 |
| | | | | | | 7/7/2014 | — | 1,038 | 1,13,423 |
| | | | | | | 18/7/2014 | — | 1,119 | 1,14,542 |
| | | | | | | 25/07/2014 | — | 468 | 1,15,010 |
| | | | | | | 1/8/2014 | — | 542 | 1,15,552 |
| | | | | | | 8/8/2014 | — | 702 | 1,16,254 |
| | | | | | | 22/08/2014 | — | 446 | 1,16,700 |
| | | | | | | 29/08/2014 | — | 658 | 1,17,358 |
| | | | | | | 5/9/2014 | — | 21 | 1,17,379 |
| | | | | | | 12/9/2014 | 3,355 | — | 1,14,024 |
| | | | | | | 19/09/2014 | — | 2,372 | 1,16,396 |
| | | | | | | 30/09/2014 | — | 1,286 | 1,17,682 |
| | | | | | | 3/10/2014 | — | 51 | 1,17,733 |
| | | | | | | 10/10/2014 | — | 705 | 1,18,438 |
| | | | | | | 17/10/2014 | — | 112 | 1,18,550 |
| | | | | | | 24/10/2014 | — | 566 | 1,19,116 |
| | | | | | | 31/10/2014 | — | 412 | 1,19,528 |
| | | | | | | 7/11/2014 | — | 2,290 | 1,21,818 |
| | | | | | | 14/11/2014 | — | 1,636 | 1,23,454 |
| | | | | | | 21/11/2014 | — | 934 | 1,24,388 |
| | | | | | | 28/11/2014 | — | 1,262 | 1,25,650 |
| | | | | | | 5/12/2014 | — | 632 | 1,26,282 |
| | | | | | | 12/12/2014 | — | 1,281 | 1,27,563 |
| | | | | | | 19/12/2014 | — | 788 | 1,28,351 |
| | | | | | | 31/12/2014 | — | 77 | 1,28,428 |
| | | | | | | 02/01/2015 | — | 217 | 1,28,645 |
| | | | | | | 09/01/2015 | — | 507 | 1,29,152 |

| | | | | |
|--------|-------------------|----------------------|---|-----------------------|
| Notice | Directors' Report | Corporate Governance | Management Discussion & Analysis Report | Financials Standalone |
|--------|-------------------|----------------------|---|-----------------------|

| | | | | | | | | | |
|----|--|--------|------|--------|------|------------|---|-------|----------|
| | | | | | | 16/01/2015 | — | 25 | 1,29,177 |
| | | | | | | 23/01/2015 | — | 563 | 1,29,740 |
| | | | | | | 30/01/2015 | — | 688 | 1,30,428 |
| | | | | | | 06/02/2015 | — | 424 | 1,30,852 |
| | | | | | | 13/02/2015 | — | 535 | 1,31,387 |
| | | | | | | 20/02/2015 | — | 984 | 1,32,371 |
| | | | | | | 27/02/2015 | — | 436 | 1,32,807 |
| | | | | | | 06/03/2015 | — | 683 | 1,33,490 |
| | | | | | | 13/03/2015 | — | 681 | 1,34,171 |
| | | | | | | 20/03/2015 | — | 2,750 | 1,36,921 |
| | | | | | | 27/03/2015 | — | 712 | 1,37,633 |
| | | | | | | 31/03/2015 | — | 104 | 1,37,737 |
| 8 | THE ORIENTAL INSURANCE COMPANY LIMITED | 28,125 | 0.55 | 28,125 | 0.55 | No Change | | | |
| 9 | ACACIA BANYAN PARTNERS | 25,000 | 0.49 | 25,000 | 0.49 | No Change | | | |
| 10 | ACACIA CONSERVATION FUND LP | 14,050 | 0.27 | 14,050 | 0.27 | No Change | | | |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | For each of the Directors and KMP | Shareholding at the beginning of the year 1 st April, 2014 | | Cumulative Shareholding during the year 31 st March, 2015 | | % Change during the year |
|---------|--|---|----------------------------------|--|----------------------------------|--------------------------|
| | | No. of Shares | % of total shares of the company | No. of Shares | % of total shares of the company | |
| 1 | Ram Gopal Garg(Director) | 120 | 0.00 | 120 | 0.00 | - |
| 2 | Rakesh Kumar Garg(Director) | 16 | 0.00 | 16 | 0.00 | - |
| 3 | Rajinder Parkash Jindal(Director) | - | - | - | - | - |
| 4 | Bhartendu Harit(Secretary) | - | - | - | - | - |
| 5 | Mahender Kumar Goel(WTD) | - | - | - | - | - |
| 6 | Vaishali Deshmukh(Additional Director)* | - | - | - | - | - |
| 7 | Shailesh Goyal(Additional Director)* | - | - | - | - | - |
| 8 | Mahabhir Prashad Gupta(CFO)# | 6 | 0.00 | 6 | 0.00 | - |

* Appointed w.e.f. 25/03/2015.

Appointed w.e.f. 12/08/2014.

V. INDEBTEDNESS

(Amount in ₹)

| Indebtedness of the Company including interest outstanding / accrued but not due for payment | | | | |
|--|----------------------------------|-----------------|----------|--------------------|
| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| Indebtedness at the beginning of the financial year – 1 st April, 2014 | - | - | - | - |
| (i) Principal Amount | - | - | - | - |
| (ii) Interest due but not paid | - | 1,09,495 | - | 1,09,495 |
| (iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | 1,09,495 | - | 1,09,495 |
| Change in Indebtedness during the financial year | - | - | - | - |
| • Addition | - | - | - | - |
| • Reduction | - | - | - | - |
| Net Change | - | - | - | - |
| Indebtedness at the end of the financial year 31 st March, 2015 | - | - | - | - |
| (i) Principal Amount | - | - | - | - |
| (ii) Interest due but not paid | - | 1,09,495 | - | 1,09,495 |
| (iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | 1,09,495 | - | 1,09,495 |

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

| Sl. No. | Particulars of Remuneration | Name of MD / WTD / Manager | Total Amount (in ₹) |
|---------|---|--------------------------------|---------------------|
| 1. | Gross Salary | Mr. Mahender Kumar Goel | |
| (a) | Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 16,14,474 | 16,14,474 |
| (b) | Value of perquisites u/s 17(2) of Income-tax Act, 1961 | - | - |
| (c) | Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961 | - | - |
| 2. | Stock Option | - | - |
| 3. | Sweat Equity | - | - |
| 4. | Commission | - | - |
| - | as % of profit | - | - |
| - | others, specify | - | - |
| 5. | Others- Contribution to PF | 80,796 | 80,796 |
| | Total (A) | 16,95,270 | 16,95,270 |
| | Ceiling as per the Act | 22,04,750 | 22,04,750 |

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

| Particulars of Remuneration | Name of Directors | | | | | Total Amount (in ₹) |
|--|--------------------|-----------------------------|-----------------------|--------------------|------------------------|---------------------|
| | Mr. Ram Gopal Garg | Mr. Rajinder Parkash Jindal | Mr. Rakesh Kumar Garg | Mr. Shailesh Goyal | Mrs. Vaishali Deshmukh | |
| · Fee for attending board committee meetings | - | - | - | - | - | - |
| · Commission | - | - | - | - | - | - |
| · Others, please specify | - | - | - | - | - | - |
| Total (1) | - | - | - | - | - | - |

2. Other Non-Executive Directors

| Other Non-Executive Directors | Total Amount (in ₹) | |
|--|---------------------|---|
| • Fee for attending board committee meetings | - | - |
| • Commission | - | - |
| • Others, please specify | - | - |
| Total (2) | - | - |
| Total (B) = (1+2) | - | - |
| Total Managerial Remuneration | - | - |
| Overall Ceiling as per the Act | - | - |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD**Sl. No. Particulars of Remuneration**

| | Key managerial Personnel | | Total (in ₹) |
|---|--------------------------|---------------------------|------------------|
| | Mr. Bhartendu Harit | Mr. Mahabir Prashad Gupta | |
| 1. Gross Salary | | | |
| (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 14,72,778 | 19,96,258 | 34,69,036 |
| (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 | - | - | - |
| (c) Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961 | - | - | - |
| 2. Stock Option | - | - | - |
| 3. Sweat Equity | - | - | - |
| 4. Commission | - | - | - |
| - as % of profit | - | - | - |
| - others, specify | - | - | - |
| 5. Others- Contribution to PF | 55,860 | - | 55,860 |
| Total | 15,28,638 | 19,96,258 | 35,24,896 |

III. 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 : | | | NIL | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS : | | | NIL | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT : | | | NIL | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

CORPORATE GOVERNANCE REPORT

Your Company recognizes communication as a key element of the overall Corporate Governance framework and therefore, emphasizes continuous, efficient and relevant communication to all external constituencies. Your Company follows the principles of fair representation and full disclosure in all its dealings and communications. The Company's annual reports, results and other forms of corporate and financial communications provide extensive details and convey important information on a timely basis. Your Company has fully complied with all mandatory requirements of corporate governance in letter and spirit.

A report on corporate governance is given below:

1. Company's philosophy on the Code of Corporate Governance:

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

2. Board of Directors:

(i) Composition of Board

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

| Executive Directors: | | | |
|--------------------------|-----------------------------|--|-----------------|
| Sr. No. | Name of Director | Designation | Status |
| 1. | Mr. Mahender Kumar Goel | Executive Director & Chief Executive Officer | Non-Independent |
| Non Executive Directors: | | | |
| Sr. No. | Name of Director | Designation | Status |
| 1. | Mr. R.G. Garg | Director | Independent |
| 2. | Mr. Rajinder Parkash Jindal | Director | Independent |
| 3. | Mr. Rakesh Garg | Director | Independent |
| 4. | Mrs. Vaishali Deshmukh* | Additional Director | Independent |
| 5. | Mr. Shailesh Goyal* | Additional Director | Independent |

* Mrs. Vaishali Deshmukh and Mr. Shailesh Goyal were appointed as Additional Directors w.e.f. 25th March, 2015.

- No director is related to other directors on the Board.

(ii) Board Meetings

During financial year 2014-15, nine Board meetings were held on 30th May, 2014, 13th June, 2014, 28th June, 2014, 12th August, 2014, 18th September, 2014, 13th November, 2014, 13th February, 2015, 2nd March, 2015 and 5th March, 2015. The maximum time gap between any two meetings was not more than one hundred and twenty days.

(iii) Attendance of Directors & other Directorships

Attendance of the directors at the Board meetings, last annual general meeting and number of other directorships and chairmanships/ memberships of committee of each director in other companies are given below:

| Sr. No. | Name of the Director | No. of equity shares held | Attendance Particulars | | No. of Directorships held in other public companies and No. of Memberships/ Chairmanships in other Board Committees (Only Audit Committee and Stakeholders' Relationship Committee) | | |
|---------|-----------------------------|---------------------------|------------------------|----------|---|-------------------------|-----------|
| | | | Board meetings | Last AGM | Directorships Memberships | Committee Chairmanships | Committee |
| 1. | Mr. Mahender Kumar Goel | - | - | 9 | No | 5 | - |
| 2. | Mr. R.G. Garg | 120 | - | 3 | No | - | - |
| 3. | Mr. Rajinder Parkash Jindal | - | - | 9 | No | 6 | 1 |
| 4. | Mr. Rakesh Garg | 16 | - | 9 | Yes | - | - |
| 5. | Mrs. Vaishali Deshmukh * | - | - | * | * | - | - |
| 6. | Mr. Shailesh Goyal * | - | - | * | * | 3 | 2 |

* Mrs. Vaishali Deshmukh and Mr. Shailesh Goyal were appointed as Additional Directors w.e.f. 25th March 2015.

- None of the directors on the Board is a director in more than 20 companies (as specified in section 165 of the Companies Act, 2013) and is a member of more than 10 committees and chairman of more than 5 committees (as specified in clause 49 of the listing agreement) across all the companies in which he/she is a director.

During the year, one separate meeting of independent directors was held on February 13, 2015, which was attended by all the independent directors.

(iv) Board Procedure

The Board Meeting of the Company is held at least once in each quarter in order to review the quarterly performance and the financial results. The intimation of the Board Meeting is given to the members of the Board at least seven clear days before the date of the Board Meeting in writing and over the phone as well the agenda of the meeting and the relevant notes are sent to each director in advance. All the items of agenda are accompanied with detailed notes providing information on the related subject.

The members of the Board are informed at every meeting about the overall performance of the Company during the quarter, which enable the Board to discharge their duties and responsibilities more efficiently. Apart from the matters statutorily requiring board's approval, all other major decisions including policy formulation, new investments, compliance with statutory / regulatory requirements are also considered by the Board.

The Minutes of the Board Meeting are circulated to all the members of the Board in advance and are confirmed at subsequent Board Meeting.

3. Audit Committee:

Terms of Reference:

The "Terms of Reference" of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

Composition and Attendance:

The composition of the Audit Committee is in conformity with the provisions 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges. The Audit Committee consists of three Directors, all being Independent and Non-Executive.

| Sr. No. | Name | Status |
|---------|-----------------------------|----------|
| 1. | Mr. Rajinder Parkash Jindal | Chairman |
| 2. | Mr. R.G. Garg | Member |
| 3. | Mr. Rakesh Garg | Member |

During financial year 2014-15, four meetings of Audit Committee were held on 30th May 2014, 12th August 2014, 13th November 2014 and 13th February 2015. Mr. Rajinder Parkash Jindal and Mr. Rakesh Garg were present in all the four meetings and Mr. R.G. Garg attended three meetings.

| Dates of Meetings | Number of Members attended |
|---------------------|----------------------------|
| 30th May, 2014 | 3 |
| 12th August, 2014 | 2 |
| 13th November, 2014 | 3 |
| 13th February, 2015 | 3 |

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

| Name | Status | Number of Meetings attended |
|-----------------------------|----------|-----------------------------|
| Mr. Rajinder Parkash Jindal | Chairman | 4 |
| Mr. R.G. Garg | Member | 3 |
| Mr. Rakesh Garg | Member | 4 |

Chief Financial Officer regularly attends the Committee meetings and the Company Secretary acts as the Secretary of the Committee.

Whistle Blower Policy – Vigil Mechanism

The Company has formulated a Whistle Blower Policy ("WBP") in accordance with the requirements of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement.

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

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

4. Nomination and Remuneration Committee:

Terms of Reference

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

CORPORATE GOVERNANCE REPORT

Composition and attendance:

The Nomination and Remuneration Committee consists of three Directors, all being Independent. During the financial year ended 31st March, 2015, two meetings of the Nomination and Remuneration Committee were held on 12th August, 2014 and 13th February, 2015. All the Members attended the aforesaid meetings.

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

| Name | Status | Number of Meetings attended |
|-----------------------------|----------|-----------------------------|
| Mr. R.G. Garg | Chairman | 2 |
| Mr. Rajinder Parkash Jindal | Member | 2 |
| Mr. Rakesh Garg | Member | 2 |

Remuneration of Executive Directors:

Details of the remuneration paid to the Executive Director for the financial year ended 31st March, 2015 is given below:

(Amount in ₹)

| Name of Director | Designation | Basic Salary | Contribution to PF | Others | Total |
|-------------------------|--|--------------|--------------------|----------|-----------|
| Mr. Mahender Kumar Goel | Executive Director & Chief Executive Officer | 6,73,296 | 80,796 | 9,41,178 | 16,95,270 |

At present, the Company does not have any stock option plan as part of remuneration package for any director.

Remuneration Policy:

Remuneration of executive directors largely consists of base remuneration and perquisites.

Sitting fees paid to Non Executive Directors:

No sitting fee and commission was paid to any director during the Financial Year 2014-15.

5. Stakeholders Relationship Committee:

The Terms of Reference of the Stakeholders Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

The Stakeholders Relationship Committee consists of three Directors, all being Independent. Four meetings of the Committee were held during the financial year ended 31st March, 2015.

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

| Dates of Meetings | Number of Members attended |
|---------------------|----------------------------|
| 30th May, 2014 | 3 |
| 12th August, 2014 | 3 |
| 13th November, 2014 | 3 |
| 13th February, 2015 | 2 |

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

| Name | Status | Number of Meetings attended |
|-----------------------------|----------|-----------------------------|
| Mr. R.G. Garg | Chairman | 3 |
| Mr. Rajinder Parkash Jindal | Member | 4 |
| Mr. Rakesh Garg | Member | 4 |

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

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

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

During the year, only 5 complaints were received which stand resolved and no complaint is pending as on 31st March 2015.

6. Share Transfer Committee:

The Board of Directors has delegated the power of approving transfer of securities and other related formalities to the share transfer committee comprising Mr. Rajinder Parkash Jindal, Director, Mr. Rakesh Garg, Director and Mr. Bhartendu Harit, Company Secretary and a representative of Registrar & Transfer Agent.

During the financial year ended 31st March 2015, all the valid requests for transfers of shares were processed in time and there are no pending transfers of shares.

7. Corporate Social Responsibility Committee:

The Terms of Reference of the Corporate Social Responsibility Committee ("CSR Committee") are in conformity with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Composition:

The CSR Committee consists of three Directors, all being Independent.

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

| Name | Status |
|-----------------------------|----------|
| Mr. Rajinder Parkash Jindal | Chairman |
| Mr. R.G. Garg | Member |
| Mr. Rakesh Garg | Member |

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy ("CSR Policy") indicating the focus areas of Company's CSR activities.

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

8. General Body Meetings:

The details of date, time and location of annual general meetings held in last three years are as under:

| Year | Date | Day | Time | Venue |
|---------|------------|--------|------------|---|
| 2011-12 | 28.09.2012 | Friday | 04:00 P.M. | N.C. Jindal Public School, Road No. 73, West Punjabi Bagh, New Delhi – 110 026. |
| 2012-13 | 27.09.2013 | Friday | 03:30 P.M. | - do - |
| 2013-14 | 29.09.2014 | Monday | 03:30 P.M. | - do - |

No. of special resolutions passed during last three AGMs

| AGM | No. of special resolutions |
|---------|----------------------------|
| 2011-12 | 0 |
| 2012-13 | 0 |
| 2013-14 | 1 |

Postal Ballot:

At ensuing annual general meeting, there is no resolution proposed to be passed through postal ballot.

Extra ordinary General Meeting

No Extra ordinary General meeting was held during the year.

9. Disclosures:

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

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

(ii) Disclosure of accounting treatment

The financial statements are prepared under the historical cost convention and have been prepared in accordance with the applicable mandatory accounting standards prescribed by The Institute of Chartered Accountants of India and relevant presentational requirements of the Act.

(iii) 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.

(iv) Related Party Transactions Policy:

As required under clause 49(VIII) of the revised Listing Agreement, the company has formulated a Related Party Transaction Policy.

CORPORATE GOVERNANCE REPORT**(v) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause**

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

Compliance with non-mandatory requirements (as on 31st March, 2015)**(1) Shareholders' Rights**

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

(2) Audit Qualifications

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

10. Management discussion & analysis report

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

11. Means of Communication:

- | | |
|---|---|
| i) Quarterly Results | The quarterly, half yearly and yearly financial results of the Company are faxed /sent to the stock exchanges after they are approved by the Board. These are also published in the prescribed format as per the provisions of the listing agreement. |
| ii) Newspapers wherein results normally published | Financial Express (English), Jansatta (Hindi) (for the year 2014-15) |
| iii) Website, where displayed | www.nalwasons.com |
| iv) Whether it also displays official news releases | Yes, wherever applicable |
| v) The Presentations made to institutional investors or to the analysts | Will be complied with whenever applicable / made. |

12. General Shareholder Information

- | | | |
|--|---|--|
| 12.1 Annual General Meeting | : | |
| Date and Time | | 28th September 2015 at 03.30 p.m. |
| Venue | | At N.C. Jindal Public School, Road No. 73, West Punjabi Bagh, New Delhi – 110 026. |
| 12.2 Financial Calendar | : | Annual General Meeting – (Next Year) September, 2016 |
| 2015-16 (Tentative) | | |
| | | Board Meetings |
| | | Results for quarter ending June 30, 2015 |
| | | Results for quarter ending September 30, 2015 |
| | | Results for quarter ending December 31, 2015 |
| | | Results for year ending March 31, 2016(Audited) |
| | | On or before: |
| | | 14th August, 2015 |
| | | 14th November, 2015 |
| | | 14th February, 2016 |
| | | 30th May, 2016 |
| 12.3 Book Closure date | : | 16th September, 2015 to 18th September, 2015 (both days inclusive) for annual general meeting. |
| 12.4 (a) Dividend payment particulars | : | The Company has not declared dividend for the financial year ended 31st March, 2015. |

(b) Unclaimed Shares

In terms of Clause 5A of the Listing Agreement, the Company had through its RTA sent three reminders to Shareholders, whose Share Certificates were lying unclaimed with the Company, requesting them to provide complete postal address and other relevant details to enable the RTA to dispatch such unclaimed Share Certificates to them. Details of Unclaimed shares as required under Clause 5A of the Listing Agreement is given hereunder:

| Particulars | No. of Shareholders | No. of Shares |
|---|---------------------|---------------|
| Aggregate number of shareholders and the outstanding shares in the suspense account as on 1.4.2014. | 230 | 3,694 |
| Number of shareholders who approached the Company/RTA for transfer of shares from suspense account during the year 2014-15. | - | - |
| Number of shareholders to whom shares were transferred from suspense account during the year 2014-15. | - | - |
| Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31.3.2015. | 230 | 3,694 |

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

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

12.5 Listing of Equity Shares on Stock Exchanges at

: National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G - Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

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

12.6 Stock Code

: Trading Symbol – BSE Limited (Demat Segment) 532256
Trading Symbol – National Stock Exchange of India Limited (Demat Segment) NSIL

International Securities Identification Number (ISIN) Reuters Code

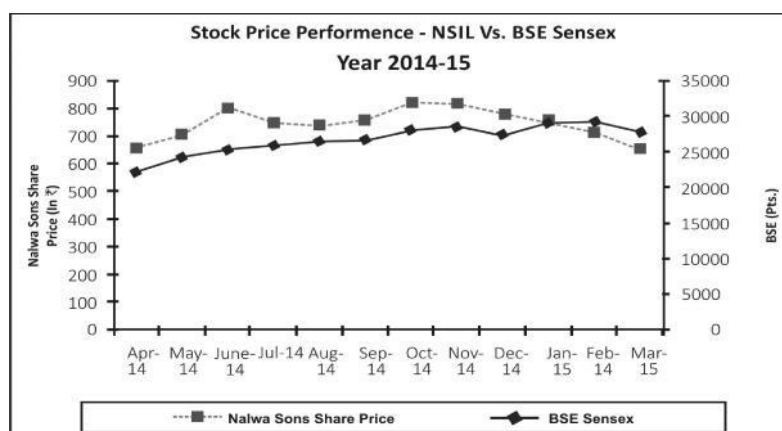
: INE023A01030
: NALS.BO (BSE Limited)
NALS.NS (National Stock Exchange of India Limited)

12.7 Stock Market Data

: National Stock Exchange (NSE) BSE Limited (BSE)
(In ₹) (In ₹)

| | Month's High Price | Month's Low Price | Month's High Price | Month's Low Price |
|-----------------|-----------------------|----------------------|-----------------------|----------------------|
| April, 2014 | 662.95 | 585.10 | 663.95 | 591.05 |
| May, 2014 | 815.00 | 625.00 | 814.00 | 630.25 |
| June, 2014 | 875.00 | 723.00 | 859.00 | 705.50 |
| July, 2014 | 830.00 | 706.10 | 848.00 | 700.00 |
| August, 2014 | 782.00 | 730.10 | 790.00 | 730.00 |
| September, 2014 | 993.65 | 730.00 | 988.00 | 730.00 |
| October, 2014 | 840.00 | 750.00 | 845.00 | 750.00 |
| November, 2014 | 880.00 | 790.05 | 878.95 | 744.10 |
| December, 2014 | 849.00 | 750.00 | 848.00 | 750.00 |
| January, 2015 | 790.00 | 750.00 | 789.95 | 750.05 |
| February, 2015 | 775.00 | 710.00 | 774.00 | 710.00 |
| March, 2015 | 776.00 | 620.00 | 780.00 | 620.25 |

12.8 Share price performance in comparison to broad based indices - BSE Sensex



Note : Based on the Monthly closing data of Nalwa Sons (₹ per share) and BSE Sensex (Pts.)

CORPORATE GOVERNANCE REPORT

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

12.10 Share Transfer System : Share transfer requests are registered within 10- 15 days.

12.11 Distribution of shareholding as at 31st March, 2015:

| By size of shareholders | Shareholders | | Equity shares held | |
|-------------------------|---------------|---------------|--------------------|---------------|
| | Number | Percentage | Number | Percentage |
| 1 - 500 | 23,147 | 99.35 | 5,93,297 | 11.55 |
| 501 - 1000 | 72 | 0.31 | 50,161 | 0.98 |
| 1001 - 2000 | 33 | 0.14 | 48,339 | 0.94 |
| 2001 - 3000 | 9 | 0.04 | 21,563 | 0.42 |
| 3001 - 4000 | 8 | 0.03 | 28,450 | 0.55 |
| 4001 - 5000 | 4 | 0.02 | 18,089 | 0.35 |
| 5001 - 10000 | 4 | 0.02 | 26,762 | 0.52 |
| 10001 & Above | 21 | 0.09 | 43,59,502 | 84.68 |
| TOTAL | 23,298 | 100.00 | 51,36,163 | 100.00 |
| Physical Mode | 10,952 | 47.01 | 2,29,217 | 4.46 |
| Electronic Mode | 12,346 | 52.99 | 49,06,946 | 95.54 |

| By category of shareholders | Equity shares held | |
|-----------------------------|--------------------|---------------|
| | Number | Percentage |
| Promoters | 28,56,510 | 55.62 |
| FIs/Banks/Mutual Funds | 30,896 | 0.60 |
| Corporate Bodies | 1,78,156 | 3.47 |
| FII/FPIs | 2,16,901 | 4.22 |
| NRI/OCBs | 12,35,651 | 24.06 |
| Public | 6,18,049 | 12.03 |
| TOTAL | 51,36,163 | 100.00 |

12.12 Dematerialisation of shares : On 31st March, 2015, 95.54% of the shares are in dematerialised form. Trading in equity shares of the Company is permitted only in dematerialised form w.e.f. 29th November, 1999 as per notification issued by the Securities and Exchange Board of India (SEBI).

12.13 Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion dates and likely impact on equity

: Nil

12.14 Plant locations

: Nil

12.15 Investor Correspondence

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

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

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

Important Communication to Members:

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

13. OTHER INFORMATION**(a) Risk Management Framework:**

The Company has in place mechanisms 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 Executive Director & C.E.O. and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49. They also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

(c) Code of Conduct

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

To the Shareholders of Nalwa Sons Investments Limited**Sub.: Compliance with Code of Conduct**

I hereby declare that all the Board members and senior management personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Place: Hisar
Date: May 29, 2015

Mahender Kumar Goel
Executive Director & C.E.O.
(DIN: 00041866)

General Disclosures

- (i) A summary of transactions with related parties in the ordinary course of business is periodically placed before the audit committee;
- (ii) The mandatory disclosure of transactions with related parties in compliance with Accounting Standard AS-18 is a part of this annual report;
- (iii) In preparing with annual accounts in respect of the financial year ended 31st March, 2015, no accounting treatment was different from that prescribed in the Accounting Standards;
- (iv) The Company has a Code of Conduct for Prevention of Insider Trading in the shares of the Company for directors and other identified persons in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and as amended from time to time.
- (v) The Company did not make any public issue, rights issue or preferential issue of any security during the financial year ended 31st March, 2015.

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**To the members of Nalwa Sons Investments Limited**

We have examined the compliance of conditions of Corporate Governance by NALWA SONS INVESTMENTS LIMITED ("the Company"), for the year ended 31st March, 2015, as stipulated in clause 49 of Listing Agreements of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied, in all material respects, with the conditions of the Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

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

For **N.C. AGGARWAL & Co.**

Chartered Accountants

Firm Registration No.003273N

Place: Hisar

Dated: 29th May, 2015

(G.K. Aggarwal)

Partner
M. No. 086622

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERVIEW - FINANCIAL PERFORMANCE

During the year ended 31st March, 2015, the Income of the Company by way of dividend, interest and other income stood up at ₹ 21.30 crore as compared to ₹ 21.60 crore during the previous year. Profit before interest, depreciation and tax stood at ₹ 4.24 crore as compared to ₹ 21.06 crore during previous year. Net Profit after tax stood at ₹ 6.09 crore as compared to ₹ 17.33 crore during the previous year.

OUTLOOK

The Company falls in the category of a Core Investment Company (CIC) in terms of the Core Investment Companies (Reserve Bank) Directions, 2011. The Company would continue to carry on the business permitted to a CIC in terms of the Core Investment Companies (Reserve Bank) Directions, 2011. The Company is in process of de-registration of the Company with Reserve Bank of India as a Non Banking Financial Company (NBFC) as it conforms to CIC norms.

Your Company continues to hold significant investments in equity shares of steel manufacturing companies of O.P. Jindal group. The performance of the Investee Companies are expected to improve in the current financial year, which would result in higher dividend payouts in the coming year. The Company will focus on making long term strategic investments in various new ventures promoted by O.P. Jindal group, besides consolidating the existing investments through further investments in the existing companies.

SEGMENT WISE AND PRODUCT WISE PERFORMANCE

The Company operates within a solitary business segment i.e. Investments. Further, all products of company are classified as "Investments". Hence, Segment/Product wise report is not given separately.

OPPORTUNITIES AND THREATS

India's economy is on a cyclical upswing. Forward looking indicators suggest domestic demand is gathering momentum. The Asian Development Bank (ADB) has also projected the country's growth at 7.8 percent in 2015-16 and at 8.2 percent in 2016-17. International Monetary Fund projected that India will overtake China as the fastest growing emerging economy in 2015-16 by clocking a growth rate of 7.5 per cent.

Low inflation rate has enabled the Reserve Bank of India (RBI) to cut interest rates aggregating to 50 basis points in early 2015 which has helped in easing pressure on the private sector. The lower rates of interest as well as government's disinvestment programs plays a significant role of raising funds for infrastructure development, should provide a boost to domestic-oriented industries. Indian economy is strengthening, off the back of steep fall in oil prices. The government pledged more money for much-needed roads and railways and cut some red tape for entrepreneurs. Many of the initiatives of the Union Budget 2015 should boost confidence and facilitate growth. Regarding the recent revision to GDP statistics, the Reserve Bank pointed out that the new estimates present a picture of a robust acceleration in the economy.

Your Company continues to hold significant investments in Equity Shares of steel companies. The anticipated infrastructure development and supportive government measures in the country is expected to give a further boost to the steel industry and your Company is looking forward for a sustainable growth in its Investee Companies in the coming years which would enhance the shareholders' value.

RISKS AND CONCERNS

The Company is mainly exposed to market risks in the form of reduction in value of its investments and fall in returns due to dip in the investee company's performance. The Company is also exposed to the fluctuations of economy and industry cycles / downturns.

ADEQUACY OF INTERNAL CONTROL SYSTEM

The Company has adequate internal control systems for the business processes in respect of all operations, financial reporting, compliance with laws and regulations etc. The management information system forms an effective and sound tool for monitoring and controlling all operating parameters. Regular internal audits ensure that responsibilities are executed effectively. The Audit Committee reviews the adequacy of internal controls on regular basis.

HUMAN RESOURCE DEVELOPMENT

The Company recognizes that its human resource is its strength in realizing its goals and objectives. The Company presently has four (4) employees. The Company will strengthen its operative staff as and when the need arises.

CAUTIONARY STATEMENT

The Statement in this Management Discussion and Analysis report, describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

INDEPENDENT AUDITOR'S REPORT

To

The Members of NALWA SONS INVESTMENTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **NALWA SONS INVESTMENTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

The Policy for demand Loan given by the Company as to the repayment, interest servicing and monitoring of the loans need to be strengthened in line with Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007-(Refer Para No.9 of Note No.15 of Notes to the Financial Statements).

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

INDEPENDENT AUDITOR'S REPORT

- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note-15 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amount payable which were required to be transferred by the company to the Investor Education and Protection Fund.

For **N.C. AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

(G. K. AGGARWAL)
Partner
Membership No.086622

Place: Hisar

Date: 29th May, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **NALWA SONS INVESTMENTS LIMITED** on the accounts for the year ended 31st March, 2015)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) We have been informed that fixed assets of the Company have been physically verified by the management during the year, which in our opinion is reasonable. No discrepancies between the book records and the physical inventory were noticed.
2. The Company does not hold any inventories. Accordingly, the provision of Para (ii) (b) & (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the company.
3. The Company has granted demand loans to bodies corporates covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
(a) As the aforesaid loans including interest accrued thereon is repayable on demand and therefore, the question of irregularity of payment does not arise.
(b) The aforesaid loans are repayable on demand and therefore, the question of overdue amount does not arise.
4. In our opinion and according to information and explanations given to us, the internal control system with regard to purchase and sale of investments (held as investments) is adequate and commensurate with the size of the Company and the nature of its business. There is no purchase of inventories and sale of goods and services.
5. According to the information given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 of the Act and rules framed there under.
6. The company has only investments activities. Hence, the clause (vi) of the order with respect to maintenance of cost records as specified by the Central Government under sub-section (i) of section 148 of the Companies Act, 2013 is not applicable to the company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, wherever applicable to the company have been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Employees Provident Fund, Investor Education and Protection Fund which have not been deposited on account of any dispute. The disputed dues in respect of Income Tax which has not been deposited with appropriate authorities on account of dispute and the forum where the dispute is pending are as given below:-

| Name of Statute | Amount (₹ in lacs) | Period to which the amount relates | Forum where dispute is pending |
|----------------------|-----------------------|---------------------------------------|---|
| Income Tax Act, 1961 | 49.85 | 2004-05 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 514.74 | 2004-05 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 89.08 | 2005-06 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 275.14 | 2006-07 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 0.65 | 2007-08 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 173.40 | 2007-08 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 16.99 | 2007-08 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 52.81 | 2008-09 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 0.31 | 2008-09 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 14.94 | 2009-10 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 6.89 | 2010-11 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 46.47 | 2011-12 | Commissioner of Income Tax (Appeals), Delhi |

- (c) There is no amount payable towards investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under. Hence, clause (vii) (c) of the Order is not applicable to the company.'

8. The Company does not have accumulated losses as at the end of the financial year. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
9. According to the information and explanations given to us, the Company has not taken any loan from financial institution, bank and debenture holder. Therefore, clause (ix) of the Order with respect to default of repayment is not applicable to the Company.
10. According to the information and explanations given to us, the company has given guarantee for loan taken by others from banks/financial institutions, the terms and conditions of which are prima facie, not prejudicial to the interest of the company.
11. According to the records of the Company examined by us, the Company has not taken any term loan. Accordingly, the provisions of clause (xi) of the order are not applicable to the company.
12. During the course of our examination of the books and records of the Company, and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **N.C. AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

(G. K. AGGARWAL)
Partner
Membership No. 086622

Place: Hisar
Date: 29th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

CIN No.L65993DL1970PLC146414

| Particulars | Note No. | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|--|----------|--|--|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 1 | 513.62 | 513.62 |
| (b) Reserves and Surplus | 2 | 34,432.80 | 33,824.21 |
| (2) Non-Current Liabilities | | | |
| (a) Long Term Provisions | 3 | 5.38 | 5.75 |
| (3) Current Liabilities | | | |
| (a) Other Current Liabilities | 4 | 13.35 | 12.61 |
| (b) Short-Term Provisions | 5 | 34.12 | 32.36 |
| Total | | 34,999.27 | 34,388.55 |
| II. ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Fixed Assets | | | |
| Tangible Assets | 6 | 0.87 | 0.64 |
| (b) Non-Current Investments | 7 | 21,238.60 | 19,117.98 |
| (c) Deferred Tax Assets (Net) | | 821.21 | 272.76 |
| (2) Current Assets | | | |
| (a) Current investments | 8 | - | 450.00 |
| (b) Cash and Cash Equivalents | 9 | 163.29 | 56.27 |
| (c) Short-Term Loans and Advances | 10 | 12,775.30 | 14,490.90 |
| Total | | 34,999.27 | 34,388.55 |
| Significant Accounting Policies and Notes to the Financial Statements | 15 | | |

As per our report of even date attached

For N.C. AGGARWAL & CO.

Chartered Accountants

Firm Registration No. 003273N

MAHENDER KUMAR GOEL

Executive Director & CEO

(DIN 00041866)

RAJINDER PARKASH JINDAL

Director

(DIN 00004594)

(G.K. AGGARWAL)

Partner

M.No. 086622

M.P. GUPTA

Chief Financial Officer

BHARTENDU HARIT

Company Secretary

Place : Hisar

Dated : 29th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | Note No. | For the Year Ended 31st March, 2015 (₹ in Lacs) | For the Year Ended 31st March, 2014 (₹ in Lacs) |
|--|-----------|---|---|
| I. Gross Revenue from Operations | 11 | 2,128.49 | 2,159.21 |
| II. Other Income | 12 | 1.63 | 1.08 |
| III. Total Revenue (I +II) | | 2,130.12 | 2,160.29 |
| IV. Expenses | | | |
| Employee Benefit Expense | 13 | 57.96 | 31.71 |
| Depreciation and Amortisation Expense | | 0.32 | 0.09 |
| Other Expenses and Provisions | 14 | 35.84 | 22.90 |
| Provision for Doubtful Loans & Advances | | 1,612.00 | - |
| Total Expenses | | 1,706.12 | 54.70 |
| V. Profit before tax (III - IV) | | 424.00 | 2,105.59 |
| VI. Tax expense: | | | |
| Current tax | | 363.31 | 402.61 |
| Deferred tax liability / (Assets) | | (548.26) | (29.82) |
| | | (184.95) | 372.79 |
| VII. Profit/(Loss) for the year (V-VI) | | 608.95 | 1,732.80 |
| VIII. Earning per equity share (In ₹): | | | |
| Basic | | 11.86 | 33.74 |
| Diluted | | 11.86 | 33.74 |
| Significant Accounting Policies and Notes to the Financial Statements | 15 | | |

As per our report of even date attached

For N.C. AGGARWAL & CO.

Chartered Accountants

Firm Registration No. 003273N

MAHENDER KUMAR GOEL

Executive Director & CEO

(DIN 00041866)

RAJINDER PARKASH JINDAL

Director

(DIN 00004594)

(G.K. AGGARWAL)

Partner

M.No. 086622

M.P. GUPTA

Chief Financial Officer

BHARTENDU HARIT

Company Secretary

Place : Hisar

Dated : 29th May, 2015

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

| NoteParticular No. | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|---|---|---|
| 1. SHARE CAPITAL | | |
| Authorized | | |
| (i) 150,00,000 Equity Shares of ₹10/- each | 1,500.00 | 1,500.00 |
| | 1,500.00 | 1,500.00 |
| Issued, Subscribed and Fully Paid-Up | | |
| 51,36,163 (previous year 51,36,163) Equity Shares of ₹10/- each | 513.62 | 513.62 |
| Total Share Capital | 513.62 | 513.62 |
| (a) Reconciliation of the number of shares: | | |
| Equity Shares | | |
| Shares outstanding as at the beginning of the year | 51,36,163 | 51,36,163 |
| Shares outstanding as at the end of the year | 51,36,163 | 51,36,163 |
| (b) Details of shareholders holding more than 5% shares in the company: | | |
| Name of Shareholders | No. of Shares | % of holding as at 31.03.2015 |
| Ricky Ishwardas Kirplani | 4,05,561 | 7.90 |
| Keshwani Hareesh | 3,01,192 | 5.86 |
| Danta Enterprises Private Limited | 5,71,386 | 11.12 |
| Sahyog Tradecorp Private Limited | 5,71,386 | 11.12 |
| Virtuous Tradecorp Private Limited | 5,71,385 | 11.12 |
| OPJ Trading Private limited | 5,71,386 | 11.12 |
| Total | 29,92,296 | 58.24 |
| | 29,95,934 | 58.31 |
| (c) Aggregate number of bonus shares issued, shares issued or consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date: | Nil | Nil |
| (d) Terms/Rights attached to Equity Shares | | |
| The Company has only one class of equity shares having a par value of ₹ 10/- per equity share. Each equity shareholder is entitled to one vote per share. | | |
| | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
| 2. RESERVES AND SURPLUS | | |
| a) Securities Premium Account | | |
| As per Last Account | 3,004.20 | 3,004.20 |
| Closing Balance | 3,004.20 | 3,004.20 |
| b) General Reserve | | |
| As per Last Account | 2,262.77 | 2,262.77 |
| Closing Balance | 2,262.77 | 2,262.77 |
| c) Capital Reserve | | |
| Demerger Account as per scheme of Arrangement and Demerger | 17,276.90 | 17,276.90 |
| Closing Balance | 17,276.90 | 17,276.90 |
| d) Statutory Reserve | | |
| As per Last Account | 2,258.52 | 1,911.96 |
| Add: Transferred from surplus in profit and loss account | 121.79 | 346.56 |
| Closing Balance | 2,380.31 | 2,258.52 |
| e) Surplus in Profit and Loss Account | | |
| Balance as per last financial statements | 9,021.82 | 7,635.58 |
| Add: Profit after tax transferred from statement of profit and loss | 608.95 | 1,732.80 |
| Less : Depreciation on assets where useful assets is nil as per Companies Act, 2013 | (0.55) | - |
| Deferred tax effect on above | 0.19 | - |
| Less: Transfer to Statutory Reserve | (121.79) | (346.56) |
| Balance in Profit and Loss Account Carried Forward | 9,508.62 | 9,021.82 |
| Total Reserves and Surplus | 34,432.80 | 33,824.21 |

| Note No. | Particular | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|-----------|--|--|--|
| 3. | LONG-TERM PROVISIONS | | |
| | Provision for Gratuity | 4.23 | 5.15 |
| | Provision for Leave Encashment | 1.15 | 0.60 |
| | Total Long Term Provisions | 5.38 | 5.75 |
| 4. | OTHER CURRENT LIABILITIES | | |
| a) | Interest Accrued and due | 1.09 | 1.09 |
| b) | Other Payables | | |
| | Statutory Dues | 2.11 | 1.02 |
| | Dues to Employees | 4.84 | 2.85 |
| | Others | 5.31 | 7.65 |
| | Total Other Current Liabilities | 13.35 | 12.61 |
| 5. | SHORT TERM PROVISIONS | | |
| | Provisions for Standard Assets (Refer para 7(a) of Note No. 15) | 30.23 | 31.81 |
| | Provision for Gratuity | 2.78 | - |
| | Provision for Leave Encashment | 1.11 | 0.55 |
| | Total Short Term Provisions | 34.12 | 32.36 |

6. FIXED ASSETS

| Description | Gross Block | | | Depreciation | | | Net Block | |
|---------------------|-------------------|---------------------------------|----------------------------|-------------------|--------------------|-------------------|-------------------|-------------------|
| | As on 01.04.14 | Additions during the year | Total as on 31.03.15 | As on 01.04.14 | During the year | As on 31.03.15 | As on 31.03.15 | As on 31.03.14 |
| Furniture & Fixture | 1.14 | - | 1.14 | 0.71 | 0.37 | 1.08 | 0.06 | 0.43 |
| Computers | - | 1.10 | 1.10 | - | 0.32 | 0.32 | 0.78 | - |
| Other Assets | 0.41 | - | 0.41 | 0.20 | 0.18 | 0.38 | 0.03 | 0.21 |
| Total | 1.55 | 1.10 | 2.65 | 0.91 | 0.87 | 1.78 | 0.87 | 0.64 |
| Previous Year | 1.55 | - | 1.55 | 0.82 | 0.09 | 0.91 | 0.64 | - |

Note: Depreciation during the year includes ₹ 0.55 Lacs as per Schedule-II of the companies Act, 2013 where the useful life of asset is Nil.

7. NON-CURRENT INVESTMENTS**Non Trade Investments****Detail of Investments**

| | As at 31st March, 2015 | | | | As at 31st March, 2014 | | | |
|--|-------------------------|--|----------------------------------|-----------------------|-------------------------|--|----------------------------------|-----------------------|
| | Shares/ Bonds (Nos.) | Deb./ Paid up value Per Share/Deb./ Bond | Face & Paid up (₹ In Lacs) | Amount (₹ In Lacs) | Shares/ Bonds (Nos.) | Deb./ Paid up value Per Share/Deb./ Bond | Face & Paid up (₹ In Lacs) | Amount (₹ In Lacs) |
| Long Term Other than Trade | | | | | | | | |
| Equity Shares of | | | | | | | | |
| A Subsidiary Company | | | | | | | | |
| Unquoted : | | | | | | | | |
| 1 Jindal Holdings Ltd. | 16085665 | 10 | 6,100.66 | 16085665 | 10 | 6,100.66 | | |
| 2 Brahmaputra Capital & Financial Services Ltd. | 21337490 | 10 | 2,168.79 | 21337490 | 10 | 2,168.79 | | |
| 3 Jindal Steel & Alloys Ltd. | 7019860 | 10 | 3,501.93 | 7019860 | 10 | 3,501.93 | | |
| 4 Jindal Stainless (Mauritius) Ltd. | 10700000 | US\$1 | 4,938.99 | 10700000 | US\$1 | 4,938.99 | | |
| | | | 16,710.37 | | | | 16,710.37 | |
| Less : Provision for Diminution in Investments | | | (4,938.99) | | | | (4,938.99) | |
| Sub Total (A) | | | 11,771.38 | | | | 11,771.38 | |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

| Detail of Investments | | As at 31st March, 2015 | | | | As at 31st March, 2014 | | | |
|-----------------------|--|-------------------------|-----------------|---|-----------------------|-------------------------|-----------------|--|-----------------------|
| Sr. No. | Particulars | Shares/ Bonds (Nos.) | Deb./ (Nos.) | Face & Paid up value Per Share/Deb./ Bond | Amount (₹ In Lacs) | Shares/ Bonds (Nos.) | Deb./ (Nos.) | Face & Paid up value Per Share/Deb./ Bond | Amount (₹ In Lacs) |
| B | Others | | | | | | | | |
| a) | Quoted | | | | | | | | |
| 1 | Jindal Saw Ltd. | 53550000 | | 2 | 330.70 | 53550000 | | 2 | 330.70 |
| 2 | Shalimar Paints Ltd. | 1372590 | | 2 | 135.32 | 1372590 | | 2 | 135.32 |
| 3 | JSW Steel Ltd. | 4548637 | | 10 | 1,986.90 | 4548637 | | 10 | 1,986.90 |
| 4 | JSW Holdings Ltd. | 1137145 | | 10 | 1,182.65 | 1137145 | | 10 | 1,182.65 |
| 5 | JSW Energy Ltd. | 370 | | 10 | 0.01 | 370 | | 10 | 0.01 |
| 6 | Hexa Tradex Limited | 10710000 | | 2 | 19.14 | 10710000 | | 2 | 19.14 |
| 7 | Jindal Stainless Limited | 347945 | | 2 | 5.07 | 347945 | | 2 | 5.07 |
| | | | | | 3,659.79 | | | | 3,659.79 |
| | Less : Provision for Doubtful Investments | | | | (13.23) | | | | (13.23) |
| | Sub Total B (a) | | | | 3,646.56 | | | | 3,646.56 |
| b) | Unquoted : | | | | | | | | |
| 1 | Sun Investments Pvt. Ltd. | 17000 | | 10 | 1.70 | 17000 | | 10 | 1.70 |
| 2 | Rohit Tower Building Ltd. | 2400 | | 100 | 2.40 | 2400 | | 100 | 2.40 |
| 3 | Stainless Investments Ltd. | 2065000 | | 10 | 1,147.92 | 1025000 | | 10 | 627.92 |
| 4 | Mansarover Investments Ltd. | 1085000 | | 10 | 641.00 | 1085000 | | 10 | 641.00 |
| 5 | Jindal Equipment Leasing & Consultancy Services Ltd.* | 2851000 | | 10 | 1,480.95 | 1320000 | | 10 | 792.00 |
| 6 | Goswamis Credits & Investment Limited | 500000 | | 10 | 50.00 | - | | - | - |
| 7 | Jindal Overseas PTE Ltd. | 153000 | | SGD 1 | 31.38 | 153000 | | SGD 1 | 31.38 |
| 8 | Saraswat Co. Op. Bank | 1000 | | 10 | 0.10 | 1000 | | 10 | 0.10 |
| 9 | Midland Steel Processors Ltd. | 200000 | | 10 | 10.00 | 200000 | | 10 | 10.00 |
| 10 | PT Jindal Stainless Indonesia | 100 | | US\$ 1 | 0.05 | 100 | | US\$ 1 | 0.05 |
| 11 | Sonabheel Tea Limited | 100 | | 10 | 0.17 | 100 | | 10 | 0.17 |
| 12 | Hexa Securities & Finance Limited | 10 | | 10 | 0.03 | 10 | | 10 | 0.03 |
| 13 | Groovy Trading Private Limited | 10 | | 10 | 0.94 | 10 | | 10 | 0.94 |
| 14 | Virtuous Tradecorp Pvt. Ltd. | 8524 | | 10 | 0.85 | 8524 | | 10 | 0.85 |
| 15 | Sahyog Tradecorp Pvt. Limited | 8524 | | 10 | 0.85 | 8524 | | 10 | 0.85 |
| 16 | Danta Enterprises Pvt. Limited | 8524 | | 10 | 0.85 | 8524 | | 10 | 0.85 |
| 17 | OPJ Trading Pvt. Limited | 8524 | | 10 | 0.85 | 8524 | | 10 | 0.85 |
| | | | | | 3,370.04 | | | | 2,111.09 |
| | Less : Provision for Diminution of Investments | | | | (41.38) | | | | (41.38) |
| | Sub Total B (b) | | | | 3,328.66 | | | | 2,069.71 |
| C | 8% Non Cumulative Redeemable Preference Share | | | | | | | | |
| 1 | Goswamis Credits & Investment Limited | 600000 | | 100 | 600.00 | - | | - | - |
| 2 | Everplus Securities & Finance Limited | 920000 | | 100 | 920.00 | - | | - | - |
| 3 | Renuka Financial Services Limited | 400000 | | 100 | 400.00 | - | | - | - |
| | Sub Total (C) | | | | 1,920.00 | | | | - |

Detail of Investments

| Sr. No. | Particulars | As at 31st March, 2015 | | | As at 31st March, 2014 | | |
|-----------|--|-------------------------|--|-----------------------|-------------------------|--|-----------------------|
| | | Shares/ Bonds (Nos.) | Deb./ Face & Paid up value Per Share/Deb./ Bond | Amount (₹ In Lacs) | Shares/ Bonds (Nos.) | Face & Paid up value Per Share/Deb./ Bond | Amount (₹ In Lacs) |
| D | 8% Non Cumulative Redeemable Preference Share Application Money | | | | | | |
| 1 | Goswamis Credits & Investment Limited | - | - | - | 600000 | 100 | 600.00 |
| 2 | Everplus Securities & Finance Limited | - | - | - | 920000 | 100 | 920.00 |
| | Sub Total (D) | | | - | | | 1,520.00 |
| E | 7% Cumulative Redeemable Preference Shares | | | | | | |
| 1 | Jindal Petroleum Limited | 572000 | 100 | 572.00 | - | - | - |
| | Sub Total (E) | | | 572.00 | | | - |
| F | 10% Redeemable Cumulative Preference Shares : | | | | | | |
| 1 | Jindal Equipment Leasing & Consultancy Services Ltd. | - | - | - | 110000 | 100 | 110.33 |
| | Sub Total (F) | | | - | | | 110.33 |
| G. | Total (A to F) | | | 21,238.60 | | | 19,117.98 |
| | Aggregate value of Quoted Investments | | | 3,646.56 | | | 3,646.56 |
| | Market value of Quoted Investments | | | 93,116.89 | | | 86,674.52 |
| | Aggregate value of Unquoted Investments | | | 17,592.04 | | | 15,471.42 |

Note :-

- 1 Nil (Previous Year 45,48,637) Equity Shares of JSW Steel Ltd. have been pledged with Bank/Financial Institution for financial assistance taken by other body corporate.
- 2 3,47,945 (Previous Year 3,47,945) Equity Shares of Jindal Stainless Limited have been pledged.
- 3* During the year, investment in equity share capital of Jindal Equipment Leasing and Consultancy Services Ltd. Increased from 17.07% to 36.87% and hence it became the associate of the company.

| | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|---|--|--|
| 8. CURRENT INVESTMENTS | | |
| Investment in Mutual Fund - SBI Premier Liquid Fund | - | 450.00 |
| Total Current Investment | - | 450.00 |
| 9. CASH AND CASH EQUIVALENTS | | |
| Cash-on-hand * | 0.01 | 0.01 |
| Balance with banks | | |
| - In Current Account | 163.28 | 56.26 |
| Total Cash and cash Equivalents | 163.29 | 56.27 |
| * Cash in hand as on 31.03.2015 ₹366/- (as on 31.03.2014 ₹ 876/-) | | |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

| NoteParticular No. | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|---|--|--|
| 10. SHORT TERM LOANS AND ADVANCES | | |
| a) Loans and advances to related party | | |
| Unsecured | | |
| Considered good | 2,175.70 | - |
| Considered Doubtful | 6.73 | 6.73 |
| Less: Provision for Non Performing Assets (Refer para 9(ii) of Note No. 15) | (6.73) | (6.73) |
| | 2,175.70 | - |
| b) Loans and advances to others | | |
| Unsecured | | |
| Considered good | 9,914.72 | 12,725.58 |
| Considered Doubtful | 2,369.85 | 578.74 |
| Less: Provision for Doubtful Debts | (2,369.85) | (578.74) |
| Considered Non Performing Assets (Sub Standard) | - | 1,791.11 |
| Less: Provision for Sub Standard Assets | - | (179.11) |
| | 9,914.72 | 14,337.58 |
| c) Other Loans and Advances | | |
| Dividend Receivable | 515.25 | - |
| Prepaid Taxes (Net of Provisions) | 168.22 | 153.32 |
| Loan to employees | 1.35 | - |
| Service Tax Receivable | 0.06 | - |
| | 684.88 | 153.32 |
| Total Short Term Loans and Advances | 12,775.30 | 14,490.90 |
| | For the Year Ended 31st March, 2015 (₹ in Lacs) | For the Year Ended 31st March, 2014 (₹ in Lacs) |
| 11. REVENUE FROM OPERATIONS | | |
| Interest Income | 1,098.01 | 1,179.53 |
| Dividend Income on Non-Current Investments | 1,015.61 | 970.12 |
| Profit on Sale of Mutual Funds | 14.87 | 9.26 |
| Profit on Sale of Long Term Investments | - | 0.30 |
| Total Revenue from operations | 2,128.49 | 2,159.21 |
| 12. OTHER INCOME | | |
| Provision for Standard Assets written back | 1.59 | 1.07 |
| Miscellaneous Receipt | 0.04 | 0.01 |
| Total Other Income | 1.63 | 1.08 |
| Total Revenue | 2,130.12 | 2,160.29 |
| 13. EMPLOYEE BENEFIT EXPENSES | | |
| Salary and wages | 56.44 | 30.23 |
| Contribution to provident and other fund | 1.52 | 1.48 |
| Total Employees Benefit Expenses | 57.96 | 31.71 |
| 14. OTHER EXPENSES | | |
| Rent | 0.67 | 0.67 |
| Rates and Taxes | 2.14 | 0.63 |
| Legal and professional Fees | 10.97 | 7.94 |
| Donation | 5.25 | 1.21 |
| Auditors' Remuneration | 3.09 | 4.18 |
| Postage and Telegrams | 3.91 | 1.86 |
| Printing and Stationery | 2.66 | 2.47 |
| Advertisements | 1.94 | 1.80 |
| Bank Charges | 0.02 | - |
| Loss on Sale of Long Term Investments | 0.33 | - |
| Other Expenses | 4.86 | 2.14 |
| Total Other Expenses | 35.84 | 22.90 |

Note No. 15**1. SIGNIFICANT ACCOUNTING POLICIES:****i) Basis of Preparation of Financial Statements:**

The financial statements are prepared under the historical cost convention as a going concern. The accounts have been prepared by adopting the accrual system of accounting and in accordance with directions prescribed by the Reserve Bank of India for Non Banking Financial Companies. Accounting Policies, not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles.

ii) Foreign Currency Transactions:

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

The difference in translation of Monetary assets and liabilities and realized gains and losses on foreign exchange transaction are recognized in profit & loss account.

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

iii) Fixed Assets and Depreciation :**a) Fixed Assets**

Fixed Assets are stated at their cost of acquisition less accumulated depreciation. Cost comprises of all cost, net of income (if any), incurred to bring the assets to their present location and working condition and other related overheads till such assets are ready for intended use.

b) Depreciation

Depreciation on all Fixed Assets of the Company is provided on Straight Line Method at the rates specified in Schedule II to the Companies Act, 2013, as amended up to date or at the rates calculated to write off 95% of the value of the assets over the remaining useful life of the assets, as determined by the management.

iv) Investments:

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

v) Retirement Benefits:**Defined Benefit Plans:**

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

vi) Taxation:

Provision is made for income-tax liability estimated to arise on the results for the year at the current rate of tax in accordance with Income-Tax Act, 1961.

Deferred tax resulting from timing differences between book profits and tax profits is accounted for, at the rate on the Balance Sheet date, to the extent that the timing differences that originate in one period and are capable of reversal in one or more subsequent periods.

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

2. Contingent Liabilities not provided for:

| | (₹ in Lacs) Current Year | (₹ in Lacs) Previous Year |
|--|-----------------------------|------------------------------|
| (i) For Income Tax matters against which company has preferred appeal | 1288.92 | 1474.33 |
| (ii) Liability towards Corporate Guarantee to Bank against credit facilities availed by other Body Corporate | 1487.29 | 2122.50 |

3. Appeals in respect of certain assessments of Income-Tax are pending and additional tax liabilities/refunds, if any, is not determinable at this stage. Adjustments for the same will be made after the same is finally determined.

4. Although the Fair Value of unquoted investments (amount not ascertained) is lower than the cost, considering the strategic and the long term nature of the investments and the asset base of the investee companies such decline, in the opinion of the management has been considered to be of temporary nature and hence not considered while valuing the same.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

5. Loans and advances repayable on demand (other than those considered as non performing assets) includes ₹8271.09 lacs (Previous year ₹9353.54 lacs) due from various O.P. Jindal Group companies which currently have accumulated losses in their books as per latest available audited balance sheet. The Company has mechanism for review and monitoring of all such loans and is confident of recovering these amounts, which are considered good in nature, as and when called for payment. The Company would take necessary action for recovery of these amounts, if required.
6. In the opinion of the Board, Value of all assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
7. a) Provision for standard assets amounting to ₹ Nil has been made at 0.25% of the outstanding standard assets as at 31st March, 2015 in terms of Notification No. DNBS.222/CGM (US)-2011 dated 17-01-2011 issued by Reserve Bank of India.
- b) The Company has made adequate provision for the Non-Performing Assets identified. Accordingly provision for Sub-Standard and Doubtful assets is made with the guidelines issued by The Reserve Bank of India.
8. The company operates in single primary segment (i.e. investment and finance.)
9. (i) Provision for Non Performing Loans and Advances amounting to ₹ 1612.00 lacs (previous year ₹ Nil) on doubtful loans has been decided by the management considering prudential norms prescribed by the Reserve Bank of India as also financial health of the borrower was not good. The borrower has also approached the company to waive the interest due to the liquidity crisis. However, the borrower promises to pay principal amount of the loan after the outcome of Arbitration Proceeding, which is most likely to be in the favour of the borrower.
- (ii) Details of provision for Non -Performing Assets and Movement of provision of Sub-Standard and Doubtful Asset is as under:

| | (₹ in Lacs) Current Year | (₹ in Lacs) Previous Year |
|---|-----------------------------|------------------------------|
| Provision for Sub-Standard Assets: | | |
| Opening Balance | 179.11 | 179.11 |
| Add: Provision made during the year | (179.11) | - |
| Closing Balance | - | 179.11 |
| Provision for Doubtful Assets: | | |
| Opening Balance | 585.47 | 585.47 |
| Add: Provision made/ (written back) during the year | 1612.00 | - |
| Transferred from Sub-Standard Assets | 179.11 | - |
| Closing Balance | 2376.58 | 585.47 |

10. The Company has given loans to various companies, which are repayable on demand. During the year, interest on such loans has been serviced by converting into principal, and the same has also been acknowledged by the borrowers.
11. As per Notification No. DNBR.008/CGM (CDS) – 2015 dated March 27, 2015 issued by Reserve Bank of India, Company is a Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Company because asset size of the Company is less than ₹ 500 Crore. Concentration of single/group exposure norms is not applicable to the Company since the Company is a non- systemic NBFC Company.
12. The Board of Directors of the Company on 11th February, 2013 has decided to convert the company in Core Investment Company (CIC). The Necessary Correspondence is being pursued to the Reserve Bank of India (RBI).

13. As per Accounting Standard 15, "Employees Benefits" the disclosure as defined in the Accounting Standard are given below:

i) **Defined Benefit Plan**

(₹ In Lacs)

| i) Defined Contribution/Benefit towards | Current Year | | Previous Year | |
|---|------------------------------|--|------------------------------|--|
| Employer's Contribution to Provident Fund | 1.52 | | 1.40 | |
| Employer's Contribution to ESI | - | | 0.09 | |
| Defined Benefit Plans | Current Year | | Previous Year | |
| | Gratuity Unfunded | Leave Encashment Unfunded | Gratuity Unfunded | Leave Encashment Unfunded |
| Current Service Cost | 0.93 | 0.72 | 0.45 | 0.09 |
| Interest Cost | 0.41 | 0.09 | 0.45 | 0.12 |
| Expected Return on Plan Assets | — | — | — | — |
| Actuarial (Gain)/Loss | 0.52 | 0.61 | (0.70) | 0.09 |
| Past Service Cost | — | — | — | — |
| Curtailment and settlement cost/credit | — | — | — | — |
| Net Cost | 1.86 | 1.42 | 0.20 | 0.29 |
| Actual Return on Plan Assets | N.A. | N.A. | N.A. | N.A. |
| ii) Change in Benefit Obligation | | | | |
| Present Value of obligation as at the beginning of the year | 5.15 | 1.15 | 4.95 | 1.29 |
| Current Service Cost | 0.93 | 0.72 | 0.45 | 0.09 |
| Interest Cost | 0.41 | 0.09 | 0.45 | 0.12 |
| Benefits Paid | — | (0.31) | — | (0.44) |
| Curtailment and settlement cost | — | — | — | — |
| Past Service Cost | — | — | — | — |
| Actuarial (Gain)/Loss | 0.52 | 0.61 | (0.70) | 0.09 |
| Present Value of obligation as at the end of year | 7.01 | 2.26 | 5.15 | 1.15 |
| iii) The assumptions used to determine the benefit obligations are follows : | | | | |
| Discount Rate | 8.00% | 8.00% | 9.00% | 9.00% |
| Salary Escalation | 5.25% | 5.25% | 5.25% | 5.25% |
| Mortality | IALM 2006-08 Ultimate | | | |

14. The useful life of the fixed assets has been revised in accordance with Schedule-II of the Companies Act, 2013 with effect from 1st April, 2014. Hitherto, in the previous year ended 31st March, 2014 the depreciation was charged at the rates prescribed under Schedule-XIV of the Companies Act, 1956. As a result the depreciation charge for the year ended 31st March, 2015 as per Schedule II of the Companies Act, 2013 is higher by ₹ 0.07 Lacs. Also depreciation of ₹ 0.36 Lacs (net of deferred tax of ₹ 0.19 Lacs) where useful life of assets is nil is adjusted against opening balance of retained earnings.

15 **Related Parties Transactions**

A **List of Related Parties & Relationship (As identified by the Management)(As per AS-18)**

a) **Parties where control exists :**

Subsidiaries :

Jindal Holdings Limited
Jindal Steel & Alloys Limited
Jindal Stainless (Mauritius) Limited
Brahmaputra Capital & Financial Services Limited
Massillon Stainless Inc. U.S.A.

b) **Associates :**

Jindal Equipment Leasing & Consultancy Services Limited (w.e.f. 30th March, 2015)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

c) Key Management Personnel :

| | | |
|----|--|--|
| 1. | Sh. M. P. Gupta | Chief Financial Officer (w.e.f. 12th August, 2014) |
| 2. | Sh. Mahender Kumar Goel | Executive Director |
| 3. | Sh. Bhartendu Harit | Company Secretary |
| 4. | Smt. Sunita Gupta W/o Sh. M.P. Gupta | Relative of KMP |
| 5. | Smt. Sunita Goel W/o Sh. Mahender Kumar Goel | Relative of KMP |

(₹ in Lacs)

B Transactions Description

| | Subsidiaries | CURRENT YEAR Key Management Personnel | Associate | Total | Subsidiaries | PREVIOUS YEAR Key Management Personnel | Associate | Total |
|--|--------------|--|-----------|-----------|--------------|---|-----------|-----------|
| Remuneration Paid | | | | | | | | |
| Sh. M. P. Gupta | - | 19.96 | - | 19.96 | - | - | - | - |
| Sh. Mahender Kumar Goel | - | 16.95 | - | 16.95 | - | 15.74 | - | 15.74 |
| Sh. Bhartendu Harit | - | 15.29 | - | 15.29 | - | 13.20 | - | 13.20 |
| | - | 52.20 | - | 52.20 | - | 28.94 | - | 28.94 |
| Car Lease rent Paid | | | | | | | | |
| Smt. Sunita Gupta | - | 0.97 | - | 0.97 | - | - | - | - |
| Smt. Sunita Goel | - | 1.26 | - | 1.26 | - | - | - | - |
| | - | 2.23 | - | 2.23 | - | - | - | - |
| Investment made during the year | | | | | | | | |
| Jindal Equipment Leasing & Consultancy Services Ltd. | - | - | 688.95 | 688.95 | - | - | - | - |
| | - | - | 688.95 | 688.95 | - | - | - | - |
| Loan Given | | | | | | | | |
| Brahmputra Capital & Financial Services Ltd. | 115.00 | - | - | 115.00 | - | - | - | - |
| Jindal Equipment Leasing & Consultancy Services Ltd. | - | - | 323.15 | 323.15 | - | - | - | - |
| | 115.00 | - | 323.15 | 438.15 | - | - | - | - |
| Interest Received | | | | | | | | |
| Jindal Equipment Leasing & Consultancy Services Ltd. | - | - | 159.22 | 159.22 | - | - | - | - |
| | - | - | 159.22 | 159.22 | - | - | - | - |
| Outstanding Balance as on 31.03.2015 | | | | | | | | |
| Loan Receivable | | | | | | | | |
| Jindal Stainless (Mauritius) Ltd. | 6.73 | - | - | 6.73 | 6.73 | - | - | 6.73 |
| Brahmputra Capital & Financial Services Ltd. | 115.00 | - | - | 115.00 | - | - | - | - |
| Jindal Equipment Leasing & Consultancy Services Ltd. | - | - | 2,060.70 | 2,060.70 | - | - | - | - |
| | 121.73 | - | 2,060.70 | 2,182.43 | 6.73 | - | - | 6.73 |
| Equity Investment Outstanding | | | | | | | | |
| Jindal Holdings Limited | 6,100.66 | - | - | 6,100.66 | 6,100.66 | - | - | 6,100.66 |
| Jindal Steel and Alloys Limited | 3,501.93 | - | - | 3,501.93 | 3,501.93 | - | - | 3,501.93 |
| Jindal Stainless (Mauritius) Limited | 4,938.99 | - | - | 4,938.99 | 4,938.99 | - | - | 4,938.99 |
| Brahmputra Capital & Financial Services Ltd. | 2,168.79 | - | - | 2,168.79 | 2,168.79 | - | - | 2,168.79 |
| Jindal Equipment Leasing & Consultancy Services Ltd. | - | - | 1,480.95 | 1,480.95 | - | - | - | - |
| | 16,710.37 | - | 1,480.95 | 18,191.32 | 16,710.37 | - | - | 16,710.37 |
| Provision outstanding for Non Performing Assets | | | | | | | | |
| Jindal Stainless (Mauritius) Ltd. | 6.73 | - | - | 6.73 | 6.73 | - | - | 6.73 |
| | 6.73 | - | - | 6.73 | 6.73 | - | - | 6.73 |
| Provision outstanding for Diminution in Investments | | | | | | | | |
| Jindal Stainless (Mauritius) Ltd. | 4,938.99 | - | - | 4,938.99 | 4,938.99 | - | - | 4,938.99 |
| | 4,938.99 | - | - | 4,938.99 | 4,938.99 | - | - | 4,938.99 |

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

| | Current Year (₹ in Lacs) | Previous Year (₹ in Lacs) |
|---|-----------------------------|------------------------------|
| Basic and Diluted EPS :- | | |
| Profit/(Loss) after tax attributable to Equity Shareholders | 608.95 | 1,732.80 |
| No. of Shares outstanding | 51,36,163 | 51,36,163 |
| Basic and Diluted EPS (in ₹) | 11.86 | 33.74 |

17 DEFERRED TAX LIABILITY/(ASSET) (NET)

| Particulars | Deferred Tax Liability/ (Asset) 31.03.2014 | Current year charge/ credit | (₹ in Lacs) Deferred Tax Liability/ (Asset) 31.03.2015 |
|--|---|--------------------------------------|--|
| A) Deferred Tax Liability | | | |
| Difference between book & tax depreciation | 0.07 | (0.05) | 0.02 |
| Total Deferred Tax Liability - A | 0.07 | (0.05) | 0.02 |
| B) Deferred Tax Assets | | | |
| 1 Disallowance under Income Tax Act, 1961 | 2.14 | 1.02 | 3.16 |
| 2 Provision for doubtful debts & advances | 199.00 | 608.80 | 807.80 |
| 3 Provision for standard and sub standard assets | 71.69 | (61.42) | 10.27 |
| Total Deferred Tax Assets - B | 272.83 | 548.40 | 821.23 |
| Deferred Tax Liability (Assets) (Net) (A-B) | (272.76) | (548.45) | (821.21) |
| Deferred tax assets provided during the year in statement of Profit & Loss | - | 548.26 | |
| Deferred tax assets on adjustment of depreciation where remaining useful life is nil | - | 0.19 | |
| | - | 548.45 | |

18 As per the requirement of clause 32 of the listing agreement, the following are the details of Loans and advances of the Company outstanding at the year end and maximum amount outstanding.

| PARTICULARS | Outstanding amount as at the year end | | Maximum Amount outstanding during the year | |
|---|--|------------------|---|------------------|
| | Current Year | Previous Year | Current Year | Previous Year |
| Loan and Advances to Subsidiaries | | | | |
| Jindal Stainless (Mauritius) Ltd.* | 6.73 ** | 6.73 ** | 6.73 | 6.73 |
| Brahmaputra Capital & Financial Services Ltd. | 115.00 | - | 115.00 | - |
| | 121.73 | 6.73 | | |
| Loan and advances where there is no repayment schedule | | | | |
| Nalwa Metal and Alloys Limited * | 54.66 ** | 54.66 ** | 54.66 | 54.66 |
| Mansarovar Investments Ltd. | 1,351.29 | 3,132.96 | 3,266.96 | 3,549.13 |
| Jindal Equipment Leasing & Consultancy Services Ltd. | 2,060.70 | 1,594.25 | 2,060.70 | 1,594.25 |
| Everplus Securities & Finance Ltd. | 3,263.16 | 3,245.98 | 3,263.16 | 3,277.09 |
| Renuka Financial Services Limited | 2,060.77 | 2,205.68 | 2,228.68 | 2,683.71 |
| Goswami Credits & Investment Ltd. | 965.64 | 768.92 | 976.17 | 922.14 |
| Gagan Trading Co. Ltd.* | 7.45 ** | 7.45 ** | 7.45 | 7.45 |
| JSW Steel Ltd.* | 516.63 ** | 516.63 ** | 516.63 | 516.63 |
| JSL Lifestyle Ltd. | 936.77 | 1,391.87 | 1,391.87 | 1,624.91 |
| Green Delhi BQS Limited* | 1,791.11 ** | 1,791.11 ** | 1,791.11 | 1,791.11 |
| Ganga Ferro Alloys Private Limited | - | - | - | 240.98 |
| Om Savitri Jindal Charitable Trust | 100.00 | 100.00 | 100.00 | 100.00 |
| Abhinandan Investments Limited | 20.87 | 285.92 | 337.92 | 518.78 |
| JSL Limited | 515.22 | - | 606.00 | - |
| Stainless Investments Limited | 701.00 | - | 701.00 | - |
| | 14,345.27 | 15,095.43 | | |

* Provision for Non Performing Assets in doubtful category of 100% provided for ₹ 2376.58 lacs (Previous year ₹ 585.47 lacs)

** No Interest charged

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

19 (A) Auditors Remuneration includes the following

| | Current Year (₹ in Lacs) | Previous Year (₹ in Lacs) |
|---|-------------------------------------|--------------------------------------|
| Payment to Auditors | | |
| Audit Fee | 2.14 | 2.14 |
| Tax Audit Fee | 0.11 | 0.11 |
| Certification Work etc. | 0.84 | 1.93 |
| | 3.09 | 4.18 |
| (B) Directors' Remuneration includes the followings: | | |
| Salary including allowance | 16.14 | 14.99 |
| Contribution to Provident Fund etc. | 0.81 | 0.75 |
| | 16.95 | 15.74 |

As per our report of even date attached

For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

MAHENDER KUMAR GOEL
Executive Director & CEO
(DIN 00041866)

RAJINDER PARKASH JINDAL
Director
(DIN 00004594)

(G.K. AGGARWAL)
Partner
M.No. 086622

M.P. GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

Place : Hisar
Dated : 29th May, 2015

NBFC SCHEDULE

Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company (as required in terms of Paragraph 13 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015

For the year ended 31.03.2015

(₹ In lacs)

Particulars

Liabilities side :

(1) Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid :

| | Amount outstanding | Amount overdue |
|---|-----------------------|-------------------|
| (a) Debentures : Secured | - | - |
| : Unsecured | - | - |
| (other than falling within the meaning of public deposits*) | | |
| (b) Deferred Credits | - | - |
| (c) Term Loans | - | - |
| (d) Inter-corporate loans and borrowing | | |
| (e) Commercial Paper | - | - |
| (f) Other Loans (specify nature) | - | - |

* Please see Note 1 below

Assets side :

Amount outstanding

(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :

| | |
|---------------|-----------|
| (a) Secured | - |
| (b) Unsecured | 14,467.00 |

(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :

| | |
|--|---|
| (i) Lease assets including lease rentals under sundry debtors : | |
| (a) Financial lease | - |
| (b) Operating lease | |
| (ii) Stock on hire including hire charges under sundry debtors : | |
| (a) Assets on hire | - |
| (b) Repossessed Assets | - |
| (iii) Others loans counting towards AFC activities : | |
| (a) Loans where assets have been repossessed | - |
| (b) Loans other than (a) above | - |

(4) Break-up of Investments (Net of Provisions)

Current Investments :

| | |
|-----------------------------|---|
| 1. Quoted : | |
| (i) Shares : (a) Equity | - |
| (b) Preference | |
| (ii) Debentures and Bonds | - |
| (iii) Units of Mutual Funds | - |
| (iv) Government Securities | - |
| (v) Others (please specify) | - |
| 2. Unquoted : | |
| (i) Shares : (a) Equity | - |
| (b) Preference | - |
| (ii) Debentures and Bonds | - |
| (iii) Units of Mutual Funds | - |
| (iv) Government Securities | - |
| (v) Others (please specify) | - |

Long Term Investments :

| | |
|-----------------------------|----------|
| 1. Quoted : | |
| (i) Shares : (a) Equity | 3,646.56 |
| (b) Preference | - |
| (ii) Debentures and Bonds | - |
| (iii) Units of Mutual Funds | - |
| (iv) Government Securities | - |
| (v) Others (please specify) | - |

NBFC SCHEDULE

| | |
|---|-----------|
| 2. Unquoted : | |
| (i) Shares : (a) Equity | 15,100.04 |
| (b) Preference | - |
| (ii) Debentures and Bonds | - |
| (iii) Units of Mutual Funds | - |
| (iv) Government Securities | - |
| (v) Cumulative Redeemable Preference Share | 572.00 |
| (vi) Non Cumulative Redeemable Preference Share | 1,920.00 |

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :

Please see Note 2 below

| Category | Amount net of provisions | | |
|---------------------------------|--------------------------|-----------|-----------|
| | Secured | Unsecured | Total |
| 1. Related Parties ** | | | |
| (a) Subsidiaries | - | 115.00 | 115.00 |
| (b) Companies in the same group | - | 11,975.42 | 11,975.42 |
| (c) Other related parties | - | - | - |
| 2. Other than related parties | - | - | - |
| Total | - | 12,090.42 | 12,090.42 |

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Please see Note 3 below

| Category | Market Value / Break up or fair value or NAV | | Book Value (Net of Provisions) | |
|---------------------------------|--|--|--------------------------------|--|
| | | | | |
| 1. Related Parties ** | | | | |
| (a) Subsidiaries | 12,269.51 | | 11,771.38 | |
| (b) Companies in the same group | 96,166.37 | | 9,467.12 | |
| (c) Other related parties | - | | - | |
| 2. Other than related parties | 0.10 | | 0.10 | |
| Total | 1,08,435.98 | | 21,238.60 | |

** As per Accounting Standard of ICAI (Please see Note 3)

(7) Other Information

| Particulars | Amount |
|---|----------|
| (i) Gross Non-Performing Assets | |
| (a) Related parties | 2,321.92 |
| (b) Other than related parties | 54.66 |
| (ii) Net Non-Performing Assets | |
| (a) Related parties | - |
| (b) Other than related parties | - |
| (iii) Assets acquired in satisfaction of debt | - |

Notes:

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 .
- Provisioning norms shall be applicable as prescribed in Non-Systemically Important Non -Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

As per our report of even date attached

For N.C. AGGARWAL & CO.

Chartered Accountants
Firm Registration No. 003273N

MAHENDER KUMAR GOEL

Executive Director & CEO
(DIN 00041866)

RAJINDER PARKASH JINDAL

Director
(DIN 00004594)

(G.K. AGGARWAL)

Partner
M.No. 086622

M.P. GUPTA

Chief Financial Officer

BHARTENDU HARIT

Company Secretary

Place : Hisar
Dated : 29th May, 2015

Additional Disclosures by a Systemically Important Non-Deposit taking Non-Banking Financial Company as required by Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

1) Capital to Risk Assets Ratio (CRAR)

| Items | Current Year | Previous Year |
|----------------------------------|--------------|---------------|
| (i) CRAR (%) | 221.01% | 306.13% |
| (ii) CRAR - Tier I Capital (%) | 221.01% | 306.13% |
| (iii) CRAR - Tier II Capital (%) | Nil | Nil |

2) Exposure to Real Estate Sector

| Category | Current Year | Previous Year |
|--|--------------|---------------|
| (a) Direct Exposure | | |
| (i) Residential Mortgages:- Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. (Individual housing loans upto ₹15 Lacs to be shown separately) | Nil | Nil |
| (ii) Commercial Real Estate:- Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family building, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits: | Nil | Nil |
| (iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures:- | | |
| (a) Residential | Nil | Nil |
| (b) Commercial Real Estate | Nil | Nil |
| (b) Indirect Exposure:- Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs). | Nil | Nil |

3) Maturity pattern of certain items of assets and liabilities

(₹ In Lacs)

| | 1 day to 30/31 days one month | Over 1 month to 2 months | Over 2 months upto 3 months | Over 3 months to 6 months | Over 6 months to 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years | Demand Loans | Total |
|------------------------------------|-------------------------------|--------------------------|-----------------------------|---------------------------|-------------------------|------------------------|-------------------------|--------------|--------------|-----------|
| Liabilities: | | | | | | | | | | |
| Borrowings from banks | - | - | - | - | - | - | - | - | - | - |
| Market Borrowings | - | - | - | - | - | - | - | - | - | - |
| Assets: | | | | | | | | | | |
| Advances (net of NPA's Provisions) | - | - | - | - | - | - | - | - | 12,090.42 | 12,090.42 |
| Investments (net of Provision) | - | - | - | - | - | - | - | 21,238.60 | - | 21,238.60 |

As per our report of even date attached

For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

MAHENDER KUMAR GOEL
Executive Director & CEO
(DIN 00041866)

RAJINDER PARKASH JINDAL
Director
(DIN 00004594)

(G.K. AGGARWAL)
Partner
M.No. 086622

M.P. GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

Place : Hisar
Dated : 29th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | 2014-15 (₹ in lacs) | 2013-14 (₹ in lacs) |
|--|------------------------|------------------------|
| A) Cash Inflow (Outflow) from the operating activities | | |
| Net Profit before Tax | 424.00 | 2,105.59 |
| Adjustments for :- | | |
| Depreciation | 0.32 | 0.09 |
| Dividend Income | (1,015.61) | (970.12) |
| Interest Income | (1,098.01) | (1,179.53) |
| Net Gain/loss on Sale of Mutual Funds/Investment | (14.87) | (9.56) |
| Provision for Sub-Standard Assets | 1,612.00 | - |
| Provision for Standard Assets Written Back | (1.59) | (1.07) |
| Operating Profit Before Working Capital Changes | (93.76) | (54.60) |
| Adjustments for :- | | |
| (Increase)/Decrease in Loans & Advances | 633.76 | 426.68 |
| Current Liabilities & Provisions | 3.71 | 1.90 |
| Cash Generated from Operation | 543.71 | 373.98 |
| Direct Taxes Refund /(Paid) | (378.20) | (425.79) |
| Net Gain/loss on Sale of Mutual Funds | 14.87 | 9.56 |
| Interest Received | 1,098.01 | 1,179.53 |
| Dividend Received | 500.36 | 970.12 |
| Net Cash Outflow from Operating Activities | 1,778.75 | 2,107.40 |
| B) Cash Inflow/(Outflow) from Investment Activities | | |
| Purchase of Fixed Assets | (1.10) | - |
| Purchase of Investment | (2,120.63) | (2,056.32) |
| Sale of investment | 450.00 | - |
| Net Cash Inflow from Investment Activities | (1,671.73) | (2,056.32) |
| C) Cash Inflow/(Outflow) from Financing Activities | | |
| Net Cash Inflow/(Outflow) from Financing Activities | - | - |
| Net Changes in Cash and Cash Equivalent | 107.02 | 51.08 |
| Cash and Cash equivalent (Opening Balance) | 56.27 | 5.19 |
| Cash and Cash equivalent (Closing Balance) | 163.29 | 56.27 |

NOTE :-

1. Previous year's figures have been regrouped wherever necessary

As per our report of even date attached
For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

MAHENDER KUMAR GOEL
Executive Director & CEO
(DIN 00041866)

RAJINDER PARKASH JINDAL
Director
(DIN 00004594)

(G.K. AGGARWAL)
Partner
M.No. 086622

M.P. GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

Place : Hisar
Dated : 29th May, 2015

Statement pursuant to section 129 of the Companies Act, 2013, relating to company's interest in Subsidiary Companies

| | Particulars | Bharmputra Capital & Financial Services Limited | Jindal Holdings Limited | Jindal Steel & Alloys Limited | Jindal Stainless (Mauritius) Limited | Massillon Stainless Inc., U.S.A. |
|-----|---|---|---|---|---|--|
| a) | Holding Company's interest | Holder of 21337490 Equity Shares of '10/- each out of the subscribed capital of 42590000 Equity Shares of ₹10/- | Holder of 16085665 Equity Shares of '10/- each out of the subscribed capital of 18499820 Equity Shares of ₹10/- | Holder of 7019860 Equity Shares of '10/- each out of the subscribed capital of 7020000 Equity Shares of ₹10/- | Holder of 10700000 Equity Shares of US \$ 1 each out of the subscribed capital of 10700000 Equity Shares of US \$ 1 | Jindal Stainless (Mauritius) Limited each out of the company (NSIL) is holding 61 Equity Shares of US \$ 500 out of the subscribed capital of 100 Equity Shares of US \$ 500 |
| b) | Financial year of the company ended | 31st March, 2015 | 31st March, 2015 | 31st March, 2015 | 31st March, 2015 | 31st March, 2015 |
| c) | Net aggregate amount of subsidiary company's profit (loss) not dealt within the company's Account | (₹ In lacs) | (₹ In lacs) | (₹ In lacs) | US \$ | US \$ |
| i) | for the subsidiary company's financial year ended 31st March, 2015 | (5.98) | 37.49 | 582.40 | (17,211.00) | - |
| ii) | for the subsidiary company's previous financial periods, since it became the holding company's subsidiary | (7.48) | 1,128.68 | 6,290.16 | (1,07,95,765.00) | (1,94,82,085.10) |
| d) | Net aggregate amount of the subsidiary company's profit/(loss) dealt within the company's Account. | | | | | |
| i) | For the subsidiary company's financial period ended 31st March, 2015 | Nil | Nil | Nil | Nil | Nil |
| ii) | For the subsidiary Company's previous financial period since it became the holding Company's subsidiary | Nil | Nil | Nil | Nil | Nil |
| e) | As the financial year of the above subsidiary companies coincides with the financial year of the holding Company section 212(5) of the Companies Act, 1956 is not applicable. | N.A. | N.A. | N.A. | N.A. | N.A. |

MAHENDER KUMAR GOEL
Executive Director & CEO
(DIN 00041866)

RAJINDER PARKASH JINDAL
Director
(DIN 00004594)

M.P. GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 29th May, 2015

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To The Members of NALWA SONS INVESTMENTS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **NALWA SONS INVESTMENTS LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate which comprise the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors, on the financial statements/ consolidated financial statements of the subsidiaries and associate and unaudited financial statement of subsidiary referred to below in 'Other matters', the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31st March, 2015, and its consolidated profit and its consolidated cash flows for the year ended on that date.

Emphasis of matter

The policy for demand loans given by the company as to the repayment, interest servicing and monitoring of the loans needs to be strengthened in line with "Non- Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007" – (Refer Para No. 12 of Note No. 23 to the Financial Statements).

Other Matters

- (a) We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 7949.64 lacs as at 31st March, 2015, total revenues of ₹ 885.86 lacs and net cash outflows amounting to ₹ 14.09 lacs (before adjustments on consolidation) 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 loss of ₹ 1.16 lacs for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of one associate, 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 associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of ₹ 4118.11 lacs as at 31st March, 2015, total revenues of ₹ 8.50 lacs and net cash outflow amounting to ₹ 40.67 lacs (before adjustments on consolidation) for the year ended

on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and two subsidiary companies incorporated in India whose financial statements are audited, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of unaudited subsidiary, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company and subsidiary companies as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note 23 to the consolidated financial statements;
 - ii. The Group and its associate did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate incorporated in India.

For **N.C. AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

(G. K. AGGARWAL)
Partner
Membership No.086622

Place: Hisar

Date: 29th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

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

1. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, subsidiary companies incorporated in India do not hold any fixed assets. However in respect of fixed assets of holding company:
 - (a) The Holding Company have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) We have been informed that fixed assets of the Holding Company have been physically verified by the management during the year, which in our opinion is reasonable. No discrepancies between the book records and the physical inventory were noticed

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

2. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company does not hold any inventories. However in respect of inventories of subsidiary companies incorporated in India
 - (a) Physical verification of inventories was conducted by the management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) According to the information and explanation given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company and the nature of the business.
 - (c) On the basis of examination of the inventory records, in our opinion, the Company is maintaining proper records of the inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. The Holding Company has granted demand loan to the company covered in the Register maintained under Section 189 of the Companies Act, 2013. No Indian subsidiary company has given loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
 - (a) In respect of aforesaid loan, the amount, principal as well as interest accrued thereon is repayable on demand and hence, the question of irregularity on payment of principal and interest does not arise.
 - (b) The aforesaid loan is repayable on demand and therefore, the question of overdue amount does not arise.
4. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the Holding Company and subsidiary companies incorporated in India, commensurate with the size of the respective entities and the nature of their business with regard to purchase and sale of investments (held as investments). There is no purchase of inventories during the year.
5. In our opinion and according to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India have not accepted any deposits from the public in accordance with the provisions of section 73 to 76 of the Act and rules framed there under.
6. According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the clause (vi) of the order with respect to maintenance of cost records as specified by the Central Government under sub-section (i) of section 148 of the Companies Act, 2013 is not applicable for the Holding Company and subsidiary companies incorporated in India.
7. (a) According to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India are generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues where applicable. There are no arrears as at 31st March, 2015 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and the other auditors, the dues in respect of income tax, that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below:

| Name of Statute | Amount (₹ in lacs) | Period to which the amount relates | Forum where dispute is pending |
|----------------------|-----------------------|---------------------------------------|--|
| Income Tax Act, 1961 | 49.85 | 2004-05 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 514.74 | 2004-05 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 89.08 | 2005-06 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 275.14 | 2006-07 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 0.65 | 2007-08 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 173.40 | 2007-08 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 16.99 | 2007-08 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 52.81 | 2008-09 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 0.31 | 2008-09 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 14.94 | 2009-10 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 6.89 | 2010-11 | Income Tax Appellate Tribunal, Delhi |
| Income Tax Act, 1961 | 46.47 | 2011-12 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 22.48 | 2002-03 | Commissioner of Income Tax (Appeals), Mumbai |
| Income Tax Act, 1961 | 9.66 | 2003-04 | Commissioner of Income Tax (Appeals), Mumbai |
| Income Tax Act, 1961 | 3.88 | 2004-05 | Commissioner of Income Tax (Appeals), Mumbai |
| Income Tax Act, 1961 | 2.04 | 2006-07 | Commissioner of Income Tax (Appeals), Mumbai |
| Income Tax Act, 1961 | 935.26 | 2007-08 | ITAT Appeal, Mumbai |
| Income Tax Act, 1961 | 98.67 | 2006-07 | Supreme court Delhi |
| Income Tax Act, 1961 | 72.55 | 2006-07 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 28.46 | 2009-10 | Commissioner of Income Tax (Appeals), Delhi |
| Income Tax Act, 1961 | 5.71 | 2011-12 | Commissioner of Income Tax (Appeals), Delhi |

- (c) According to the information and explanations given to us and the other auditors, there is no amount payable towards investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under. Hence, clause (vii) (c) of the Order is not applicable to the Holding company and subsidiary companies incorporated in India.
8. The Holding Company and subsidiary companies incorporated in India do not have consolidated accumulated losses at the end of the financial year nor have they incurred cash losses, on a consolidated basis, during the financial year covered by our audit and in the immediately preceding financial year.
 9. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India have not taken any loan from financial institution, bank and debenture holder. Therefore, clause (ix) of the Order with respect to default of repayment is not applicable.
 10. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company has given guarantee for loan taken by others from banks/financial institutions, the terms and conditions of which are prima facie, not prejudicial to the interest. However the Subsidiary companies incorporated in India have not given any guarantee for loan taken by others from banks/financial institution.
 11. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India have not taken any term loan. Accordingly, the provisions of clause (xi) of the order are not applicable.
 12. To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud on or by the Holding Company and its subsidiary companies incorporated in India have been noticed or reported during the course of audit.

For **N.C. AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

(G. K. Aggarwal)
Partner
Membership No.086622

Place: Hisar

Date: 29th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

CIN No.L65993DL1970PLC146414

| Particulars | Note No. | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|--|----------|--|--|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' Funds | | | |
| (a) Share Capital | 1 | 513.62 | 513.62 |
| (b) Reserves and Surplus | 2 | 31,762.23 | 30,711.71 |
| Minority Interest | | 3,152.62 | 3,150.72 |
| (2) Non-Current Liabilities | | | |
| (a) Long-term borrowings | 3 | 3,113.41 | 2,970.04 |
| (b) Long term provisions | 4 | 5.38 | 5.75 |
| (3) Current Liabilities | | | |
| (a) Short-term borrowings | 5 | - | 1.55 |
| (b) Trade payables | 6 | 908.54 | 872.39 |
| (c) Other current liabilities | 7 | 215.47 | 209.02 |
| (d) Short-term provisions | 8 | 45.17 | 42.42 |
| Total | | 39,716.44 | 38,477.22 |
| II. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Fixed assets | | | |
| Tangible assets | 9 | 0.87 | 0.64 |
| (b) Non-current investments | 10 | 16,749.19 | 14,629.74 |
| (c) Deferred tax assets (net) | 11 | 821.21 | 272.76 |
| (d) Long term loans and advances | 12 | 340.00 | 3,440.00 |
| (2) Current assets | | | |
| (a) Current Investments | 13 | - | 450.00 |
| (b) Inventories | 14 | 564.72 | 564.72 |
| (c) Trade receivables | 15 | 228.37 | 312.09 |
| (d) Cash and Cash Equivalents | 16 | 204.09 | 149.79 |
| (e) Short-term loans and advances | 17 | 20,807.99 | 18,657.48 |
| Total | | 39,716.44 | 38,477.22 |
| Significant Accounting Policies and Notes to the Financial Statements | 23 | | |

As per our report of even date attached
For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

MAHENDER KUMAR GOEL
Executive Director & CEO
(DIN 00041866)

RAJINDER PARKASH JINDAL
Director
(DIN 00004594)

(G.K. AGGARWAL)
Partner
M.No. 086622

M.P. GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

Place : Hisar
Dated : 29th May, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | Note No. | For The Year Ended 31st March, 2015 (₹ in Lacs) | For The Year Ended 31st March, 2014 (₹ in Lacs) |
|--|----------|---|---|
| I. Revenue from operations | 18 | 3,061.31 | 3,676.82 |
| Total Revenue from operations | | 3,061.31 | 3,676.82 |
| II. Other Income | 19 | 11.14 | 2.80 |
| III. Total Revenue (I +II) | | 3,072.45 | 3,679.62 |
| IV. Expenses: | | | |
| Changes in inventories of Stock-in-Trade | 20 | - | - |
| Employees benefit expenses | 21 | 57.96 | 31.71 |
| Depreciation and amortisation expense | | 0.32 | 0.09 |
| Other expenses | 22 | 69.31 | 41.20 |
| Provision for Doubtful Loans & Advances | | 1,612.00 | - |
| Provision for Standard Assets | | 0.49 | - |
| Total Expenses | | 1,740.08 | 73.00 |
| V. Profit before tax (III - IV) | | 1,332.37 | 3,606.62 |
| VI. Tax expense: | | | |
| Current tax | | 661.61 | 720.14 |
| Deferred tax | | (548.26) | (29.82) |
| Previous year tax adjustment* | | - | (0.59) |
| Mat credit entitlement | | 6.72 | 15.68 |
| | | 120.07 | 705.41 |
| VII. Profit for the year (V-VI) | | 1,212.30 | 2,901.21 |
| Add: Minority Interest in (Profit)/Loss | | (1.91) | (50.77) |
| Add: Share of Loss of Associates | | (1.16) | (0.43) |
| Profit After Taxation and Minority Interest | | 1,209.23 | 2,850.01 |
| VIII. Earning per equity share (in ₹): | | | |
| Basic | | 23.54 | 55.49 |
| Diluted | | 23.54 | 55.49 |
| (* represents Rs 166 for Previous year tax adjustment) | | | |
| Significant Accounting Policies and Notes to the Financial Statements | 23 | | |

As per our report of even date attached
For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

MAHENDER KUMAR GOEL
Executive Director & CEO
(DIN 00041866)

RAJINDER PARKASH JINDAL
Director
(DIN 00004594)

(G.K. AGGARWAL)
Partner
M.No. 086622

M.P. GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

Place : Hisar
Dated : 29th May, 2015

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

| Note No. | Particulars | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|-----------|--|--|--|
| 1. | SHARE CAPITAL | | |
| | Authorized | | |
| | 1,50,00,000 Equity Shares of ₹10/- each | 1,500.00 | 1,500.00 |
| | | 1,500.00 | 1,500.00 |
| | Issued, Subscribed and Fully Paid-Up | | |
| | 51,36,163 (previous year 51,36,163) Equity Shares of ₹10/- each | 513.62 | 513.62 |
| | Total Share Capital | 513.62 | 513.62 |
| | (a) Reconciliation of the number of shares: | | |
| | Equity Shares | | |
| | Shares outstanding as at the beginning of the year | 51,36,163 | 51,36,163 |
| | Shares outstanding as at the end of the year | 51,36,163 | 51,36,163 |
| | (b) Details of shareholders holding more than 5% shares in the company: | | |
| | Name of Shareholders | No. of Shares | % of holding as at |
| | | 31.3.2015 | 31.3.2014 |
| | Ricky Ishwardas Kirplani | 4,05,561 | 7.90 |
| | Keshwani Hareesh | 3,01,192 | 5.86 |
| | Danta Enterprises Private Limited | 5,71,386 | 11.12 |
| | Sahyog Tradcorp Private Limited | 5,71,386 | 11.12 |
| | Virtuous Tradecorp Private Limited | 5,71,385 | 11.12 |
| | OPJ Trading Private limited | 5,71,386 | 11.12 |
| | Total | 29,92,296 | 58.24 |
| | (c') Aggregate number of bonus shares issued, shares issued or consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date: | Nil | Nil |
| | (d) Terms/Rights attached to Equity Shares | | |
| | The Company has only one class of equity shares having a par value of ₹10/- per equity share. Each equity shareholder is entitled to one vote per share. | | |

| Note No. | Particulars | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|-----------|--|--|--|
| 2. | RESERVES AND SURPLUS | | |
| a) | Securities Premium Account | | |
| | As per Last Account | 3,004.20 | 3,004.20 |
| | Closing Balance | 3,004.20 | 3,004.20 |
| b) | General Reserve | | |
| | As per Last Account | 7,693.28 | 7,693.28 |
| | Closing Balance | 7,693.28 | 7,693.28 |
| c) | Capital Reserve | | |
| | Demerger Account as per scheme of Arrangement and Demerger | 17,276.90 | 17,276.90 |
| | Closing Balance | 17,276.90 | 17,276.90 |
| d) | Capital Reserve on Consolidation | | |
| | As per Last Account | 326.55 | 326.55 |
| | Closing Balance | 326.55 | 326.55 |
| e) | Foreign Currency Translation Reserve | | |
| | As per Last Account | (933.68) | (571.78) |
| | Add: During the Year | (158.35) | (361.90) |
| | Closing Balance | (1,092.03) | (933.68) |
| f) | Statutory Reserve | | |
| | As per Last Account | 2,525.89 | 2,082.60 |
| | Add: Transfer from Surplus in Profit and Loss | 129.29 | 427.99 |
| | Add: Reserve on the date of becoming Subsidiary | - | 15.30 |
| | Closing Balance | 2,655.18 | 2,525.89 |
| g) | Surplus in Profit and Loss Account | | |
| | Balance as per last financial statements | 818.57 | 7,024.70 |
| | Cessation of Associate | - | 166.65 |
| | Accumulated Loss on the date of becoming subsidiary | - | (145.41) |
| | Less: Carrying value of Share Transferred from Non Current Investment | - | (7,925.19) |
| | Less: Carrying value of Share Transferred from (increase)/decrease in stock | - | (727.21) |
| | Less: Holding Co.'s Share in Pre-Acquisition Losses tfd to Goodwill | - | 3.01 |
| | Add: Profit after tax transferred from Statement of Profit and Loss | 1,209.23 | 2,850.01 |
| | Less: Depreciation on assets where useful assets is nil as per Companies Act, 2013 | (0.55) | - |
| | Deferred tax effect on above | 0.19 | - |
| | Less: Transfer to Statutory reserve | (129.29) | (427.99) |
| | Balance in Profit and Loss Account Carried Forward | 1,898.15 | 818.57 |
| | Total Reserves and Surplus | 31,762.23 | 30,711.71 |
| 3. | LONG-TERM BORROWINGS | | |
| | Unsecured Long term borrowings | | |
| | Working Capital Revolving Facility From Shareholders | 2,973.06 | 2,854.74 |
| | From Others | 140.35 | 115.30 |
| | Total Long Term Borrowings | 3,113.41 | 2,970.04 |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

| Note No. | Particulars | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|-------------------------------------|--|--|--|
| 4. LONG-TERM PROVISIONS | | | |
| | Provision for Gratuity | 4.23 | 5.15 |
| | Provision for Leave Encashment | 1.15 | 0.60 |
| | Total Long Term Provisions | 5.38 | 5.75 |
| 5. SHORT-TERM BORROWINGS | | | |
| | Loan From Body Corporate | - | 1.55 |
| | Total Short Term Borrowings | - | 1.55 |
| 6. TRADE PAYABLES | | | |
| | Trade Payables | 908.54 | 872.39 |
| | Total Trade Payables | 908.54 | 872.39 |
| 7. OTHER CURRENT LIABILITIES | | | |
| a) | Interest Accrued and due | 1.09 | 1.09 |
| b) | Other Payables | | |
| | Statutory Dues | 2.19 | 1.28 |
| | Dues to Employees | 4.84 | 2.85 |
| | Other outstanding liabilities | 207.35 | 203.80 |
| | Total Other Current Liabilities | 215.47 | 209.02 |
| 8. SHORT TERM PROVISIONS | | | |
| a) | Provision for Employee benefits | | |
| | Provision for Gratuity | 2.78 | - |
| | Provision for Leave Encashment | 1.11 | 0.55 |
| b) | Other Provisions | | |
| | Provision for Taxation | 0.51 | - |
| | Provision for Standard Assets (Refer Para No. 8 of Note No.23) | 40.77 | 41.8 |
| | Total Short Term Provisions | 45.17 | 42.42 |

9. FIXED ASSETS

| 7. FIXED ASSETS | | | | | | | | | (₹ in Lacs) |
|-----------------------|-------------------|---------------------------------|----------------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------|
| Description | Gross Block | | | Depreciation | | | Net Block | | |
| | As on 01.04.14 | Additions during the year | Total as on 31.03.15 | As on 01.04.14 | During the year | As on 31.03.15 | As on 31.03.15 | As on 31.03.14 | |
| Furniture and Fixture | 1.14 | - | 1.14 | 0.71 | 0.37 | 1.08 | 0.06 | 0.43 | |
| Other Assets | 0.41 | - | 0.41 | 0.20 | 0.18 | 0.38 | 0.03 | 0.21 | |
| Computers | - | 1.10 | 1.10 | - | 0.32 | 0.32 | 0.78 | - | |
| TOTAL | 1.55 | 1.10 | 2.65 | 0.91 | 0.87 | 1.78 | 0.87 | 0.64 | |
| Previous Year | 1.55 | - | 1.55 | 0.82 | 0.09 | 0.91 | 0.64 | | |

Note:

Depreciation during the year includes of ₹ 0.55 lacs as per Schedule-II of the Companies Act 2013, where remaining useful life of the asset is Nil.

10 NON - CURRENT INVESTMENTS

| Sr. No. | Particulars | As at 31st March,2015 | | | | As at 31st March,2014 | | | |
|-----------|---|-------------------------|--|-----------------------|--|-------------------------|---|-----------------------|--|
| | | Shares/ Bonds (Nos.) | Deb./ Face & Paid up value Per Share/Deb./ Bond | Amount (₹ In Lacs) | | Shares/ Bonds (Nos.) | Deb./ Face & Paid up valuePer Share/Deb./ Bond | Amount (₹ In Lacs) | |
| A | NON TRADE INVESTMENTS | | | | | | | | |
| | In Associates | | | | | | | | |
| 1 | Jindal Equipment Leasing & Consultancy Services Ltd. | 3351000 | 10 | 1830.95 | | - | - | - | |
| | Less: Share of Post Acquisition Loss | | | (1.16) | | | | - | |
| | SUB TOTAL A | | | 1829.79 | | | | - | |
| B | LONG TERM-OTHER THAN TRADE IN EQUITY SHARES | | | | | | | | |
| I | QUOTED | | | | | | | | |
| 1 | Jindal Saw Ltd. | 53550000 | 2 | 330.70 | | 53550000 | 2 | 330.70 | |
| 2 | Shalimar Paints Ltd. | 1372590 | 2 | 135.32 | | 1372590 | 2 | 135.32 | |
| 3 | JSW Steel Ltd. | 4548637 | 10 | 1986.90 | | 4548637 | 10 | 1986.90 | |
| 4 | JSW Holdings Ltd. | 1137145 | 10 | 1182.65 | | 1137145 | 10 | 1182.65 | |
| 5 | JSW Energy Ltd. | 370 | 10 | 0.01 | | 370 | 10 | 0.01 | |
| 6 | Hexa Tradex Limited | 10710000 | 2 | 19.14 | | 10710000 | 2 | 19.14 | |
| 7 | Jindal Stainless Limited | 347945 | 2 | 5.07 | | 347945 | 2 | 5.07 | |
| | | | | 3659.79 | | | | 3659.79 | |
| | Less : Provision for Doubtful Investments | | | (13.23) | | | | (13.23) | |
| | SUB TOTAL B(I) | | | 3646.56 | | | | 3646.56 | |
| II | UNQUOTED | | | | | | | | |
| 1 | Sun Investments Pvt. Ltd. | 17000 | 10 | 1.70 | | 17000 | 10 | 1.70 | |
| 2 | Rohit Tower Building Ltd. | 2400 | 100 | 2.40 | | 2400 | 100 | 2.40 | |
| 3 | Stainless Investments Ltd. | 2065000 | 10 | 1147.92 | | 1025000 | 10 | 627.92 | |
| 4 | Mansarover Investments Ltd. | 1385000 | 10 | 851.00 | | 1385000 | 10 | 851.00 | |
| 5 | Jindal Equipment Leasing & Consultancy Services Ltd. | - | - | - | | 1820000 | 10 | 1142.00 | |
| 6 | Jindal Overseas PTE Ltd. | 306000 | SGD 1 | 36.26 | | 306000 | SGD 1 | 36.26 | |
| 7 | Saraswat Co. Op. Bank | 1000 | 10 | 0.10 | | 1000 | 10 | 0.10 | |
| 8 | Midland Steel Processors Ltd. | 200000 | 10 | 10.00 | | 200000 | 10 | 10.00 | |
| 9 | PT Jindal Stainless Indonesia | 100 | US\$ 1 | 0.05 | | 100 | US\$ 1 | 0.05 | |
| 10 | Sonabheel Tea Limited | 100 | 10 | 0.17 | | 100 | 10 | 0.17 | |
| 11 | Hexa securities & Finance Company Limited | 10 | 10 | 0.03 | | 10 | 10 | 0.03 | |
| 12 | Groovy Trading Private Limited | 10 | 10 | 0.94 | | 10 | 10 | 0.95 | |
| 13 | Virtuous Tradecorp Pvt. Ltd. | 8524 | 10 | 0.85 | | 8524 | 10 | 0.85 | |
| 14 | Sahyog Tradecorp Pvt. Limited | 8524 | 10 | 0.85 | | 8524 | 10 | 0.85 | |
| 15 | Danta Enterprises Pvt. Limited | 8524 | 10 | 0.85 | | 8524 | 10 | 0.85 | |
| 16 | OPJ Trading Pvt. Limited | 8524 | 10 | 0.85 | | 8524 | 10 | 0.85 | |
| 17 | Goswamis Credit & Investments Limited | 2100000 | 10 | 210.00 | | 1600000 | 10 | 160.00 | |
| 18 | Renuka Financial Services Limited | 2500000 | 10 | 250.00 | | 2500000 | 10 | 250.00 | |
| 19 | Manjula Finances Limited | 1400000 | 10 | 140.00 | | 1400000 | 10 | 140.00 | |
| 20 | Everplus Securities & Finance Limited | 1750000 | 10 | 175.00 | | 1750000 | 10 | 175.00 | |
| 21 | Vrindavan Services Pvt. Ltd. | 710000 | 10 | 426.00 | | 710000 | 10 | 426.00 | |
| 22 | Wachovia Investments Pvt. Ltd. | 77505 | 100 | 77.50 | | 77505 | 100 | 77.50 | |
| 23 | Aras Overseas Pvt. Ltd. | 82500 | 100 | 82.50 | | 82500 | 100 | 82.50 | |
| 24 | Baltimore Trading Pvt. Ltd. | 119600 | 100 | 119.60 | | 119600 | 100 | 119.60 | |
| 25 | Musuko Trading Pvt. Ltd. | 150225 | 100 | 150.23 | | 150225 | 100 | 150.23 | |
| 26 | Kamshet Investments Pvt. Ltd. | 173300 | 100 | 173.30 | | 173300 | 100 | 173.30 | |
| | | | | 3858.10 | | | | 4430.11 | |
| | Less: Provision for Diminution in value of Investment | | | (46.26) | | | | (46.26) | |
| | SUB TOTAL B (II) | | | 3811.84 | | | | 4383.85 | |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

| Sr. No. | Particulars | As at 31st March,2015 | | | | As at 31st March,2014 | | |
|----------|---|-----------------------|-------|---|--------------------|-----------------------|-------|--|
| | | Shares/ Bonds (Nos.) | Deb./ | Face & Paid up value Per Share/Deb./ Bond | Amount (₹ In Lacs) | Shares/ Bonds (Nos.) | Deb./ | Face & Paid up valuePer Share/Deb./ Bond |
| C | 10% REDEEMABLE CUMULATIVE PREFERENCE SHARES : | | | | | | | |
| 1 | Jindal Equipment Leasing & Consultancy Services Ltd. | - | - | - | - | 110000 | 100 | 110.33 |
| | SUB TOTAL (C) | | | | - | | | 110.33 |
| D | 8% REDEEMABLE NON CUMULATIVE NON CONVERTIBLE PREFERENCE SHARES : | | | | | | | |
| 1 | Baltimore Trading Pvt Limited | 140000 | 100 | 140.00 | 140.00 | 140000 | 100 | 140.00 |
| 2 | Vrindavan Services Pvt Limited | 1990000 | 10 | 199.00 | 199.00 | 1990000 | 10 | 199.00 |
| 3 | Musuko Trading Pvt Limited | 190000 | 100 | 190.00 | 190.00 | 190000 | 100 | 190.00 |
| 4 | JSW Investments Pvt Limited | 13500000 | 10 | 1350.00 | 1350.00 | 13500000 | 10 | 1350.00 |
| | SUB TOTAL (D) | | | | 1879.00 | | | 1879.00 |
| E | 8% CUMULATIVE OPTIONALLY CONVERTIBLE PREFERENCE SHARES | | | | | | | |
| 1 | JSW Investments Pvt Limited | 18000000 | 10 | 1800.00 | 1800.00 | 18000000 | 10 | 1800.00 |
| | SUB TOTAL (E) | | | | 1800.00 | | | 1800.00 |
| F | 8% NON CUMULATIVE REDEEMABLE PREFERENCE SHARES | | | | | | | |
| 1 | Goswamis Credits & Investment Limited | 600000 | 100 | 600.00 | 600.00 | - | - | - |
| 2 | Everplus Securities & Finance Limited | 920000 | 100 | 920.00 | 920.00 | - | - | - |
| 3 | Renuka Financial Services Limited | 1090000 | 100 | 1090.00 | 1090.00 | - | - | - |
| 4 | Manjula Finances Limited | 600000 | 100 | 600.00 | 600.00 | - | - | - |
| | SUB TOTAL (F) | | | | 3210.00 | | | - |
| G | 8% NON CUMULATIVE REDEEMABLE PREFERENCE SHARE-APPLICATION MONEY | | | | | | | |
| 1 | Goswamis Credits & Investment Limited | - | - | - | - | 600000 | 100 | 600.00 |
| 2 | Everplus Securities & Finance Limited | - | - | - | - | 920000 | 100 | 920.00 |
| 3 | Manjula Finances Limited | - | - | - | - | 600000 | 100 | 600.00 |
| 4 | Renuka Financial Services Limited | - | - | - | - | 690000 | 100 | 690.00 |
| | SUB TOTAL (G) | | | | - | | | 2810.00 |
| H | 7% CUMULATIVE REDEEMABLE PREFERENCE SHARES | | | | | | | |
| 1 | Jindal Petroleum Limited | 572000 | 100 | 572.00 | 572.00 | - | - | - |
| | Sub Total (H) | | | | 572.00 | | | - |
| | Total Non Current Investments | | | | 16749.19 | | | 14629.74 |
| | Market Value of Quoted Investments | | | | 93116.89 | | | 86674.52 |

Note:

1. Nil (Previous Year 45,48,637) Equity Shares of JSW Steel Limited have been pledged with a Financial Institution, for financial assistance taken by other body corporate.
2. 3,47,945 (Previous Year 3,47,945) shares of Jindal Stainless Limited have been pledged.

| Note No. | Particulars | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|--|-------------|--|--|
| 11. DEFERRED TAX ASSET (NET) | | | |
| A) Deferred Tax Liability | | | |
| Difference between book and tax depreciation* | - | 0.07 | |
| Total Deferred Tax Liability-A | - | 0.07 | |
| B) Deferred Tax Assets | | | |
| 1 Disallowance under Income Tax Act, 1961 | 3.14 | 2.14 | |
| 2 Provision for doubtful debts and advances | 807.80 | 259.88 | |
| 3 Provision for standard and Sub standard assets | 10.27 | 10.81 | |
| Total Deferred Tax Assets-B | 821.21 | 272.83 | |
| DEFERRED TAX ASSET (NET) (B-A) | 821.21 | 272.76 | |
| *represents figure in absolute is Rs. 181 | | | |
| Deferred tax assets provided during the year in Statement of Profit & Loss | 548.26 | 29.82 | |
| Deferred tax assets on adjustment of depreciation where remaining useful life is nil | 0.19 | - | |
| | 548.45 | 29.82 | |
| 12. LONG TERM LOANS & ADVANCES | | | |
| Loan to Body Corporate | | | |
| - Unsecured, considered good | 340.00 | 3,440.00 | |
| - Considered Doubtful | 570.53 | 570.53 | |
| Less: Provision for Doubtful Debts | (570.53) | (570.53) | |
| Total Long Term Loans & Advances | 340.00 | 3,440.00 | |
| 13. Current Investments | | | |
| Investment in Mutual Fund - SBI Premier Liquid Fund | - | 450.00 | |
| Total Current Investments | - | 450.00 | |
| 14. INVENTORIES | | | |
| (As taken, valued and certified by management) | | | |
| (At Lower of Cost and net realisable value unless otherwise stated) | | | |
| Stock In Trade- Shares/ Debentures (At Cost) | 564.72 | 564.72 | |
| Total Inventories | 564.72 | 564.72 | |
| 15. TRADE RECEIVABLES | | | |
| Unsecured | | | |
| Exceeding Six Months | | | |
| Considered Good | 228.37 | 219.28 | |
| Others | | | |
| Considered Good | - | 92.81 | |
| Total Trade Receivables | 228.37 | 312.09 | |
| 16. CASH AND CASH EQUIVALENTS | | | |
| Cash-on-hand | 8.83 | 0.39 | |
| Balances with banks | | | |
| - In current accounts | 195.26 | 149.40 | |
| Total Cash and Cash Equivalents | 204.09 | 149.79 | |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

| NoteParticulars No. | As at 31st March, 2015 (₹ in Lacs) | As at 31st March, 2014 (₹ in Lacs) |
|---|--|--|
| 17. SHORT TERM LOANS AND ADVANCES | | |
| a) Loans to Body Corporates | | |
| - Unsecured, considered good | 19,632.60 | 16,749.78 |
| - Considered Doubtful | 2,369.85 | 578.74 |
| Less: Provision for Doubtful Debts | (2,369.85) | (578.74) |
| - Considered Non Performing Assets (Sub Standard) | - | 1,791.11 |
| Less: Provision for Sub Standard Assets | - | (179.11) |
| | 19,632.60 | 18,361.78 |
| b) Other Loans and Advances | | |
| - Unsecured, considered good | 892.25 | - |
| Loan to Employees | 2.29 | 0.90 |
| MAT Credit Entitlement | 5.45 | 12.16 |
| Prepaid Taxes (Net of Provisions) | 275.40 | 282.64 |
| | 1,175.39 | 295.70 |
| Total Short Term Loans and Advances (a+b) | 20,807.99 | 18,657.48 |

| NoteParticulars No. | For The Year Ended 31st March, 2015 (₹ in Lacs) | For The Year Ended 31st March, 2014 (₹ in Lacs) |
|--|---|---|
| 18. REVENUE FROM OPERATIONS | | |
| a) Interest Income | 1,580.59 | 1,659.24 |
| b) Dividend Income on Non Current Investments | 1,015.61 | 1,405.18 |
| c) Dividend Income on Current Investments | - | 52.84 |
| d) Income from Consultancy | 450.00 | 550.00 |
| e) Net Gain/ (loss) on Sale of Investments | - | 0.30 |
| f) Net Gain/ (loss) on Sale of Mutual Funds | 15.11 | 9.26 |
| Total Revenue from operations | 3,061.31 | 3,676.82 |
| 19. OTHER INCOME | | |
| a) Miscellaneous Receipt | 0.08 | 0.01 |
| b) Provision for Standard Assets Written Back | 1.59 | 2.79 |
| c) Other Non-operating income | 9.47 | - |
| Total Other Income | 11.14 | 2.80 |
| Total Revenue | 3,072.45 | 3,679.62 |
| 20. CHANGE IN INVENTORIES OF STOCK IN TRADE | | |
| Opening Stock | | |
| In Equity Shares | 564.72 | 727.21 |
| Add:- Stock from Subsidiary as on date of becoming subsidiary | - | 564.72 |
| Less : Carrying amount of shares transferred to surplus in Profit & Loss Account | - | 727.21 |
| | 564.72 | 564.72 |
| Closing Stock | | |
| In Equity Shares | 564.72 | 564.72 |
| | 564.72 | 564.72 |
| NET (INCREASE)/DECREASE IN STOCK | - | - |
| Total (Increase)/Decrease in Stock | - | - |

**NoteParticulars
No.****For The Year Ended For The Year Ended
31st March, 2015 31st March, 2014
(₹ in Lacs) (₹ in Lacs)****21. EMPLOYEE BENEFIT EXPENSES**

| | | |
|--|--------------|--------------|
| Salary and wages | 56.44 | 30.23 |
| Contribution to provident and other fund | 1.52 | 1.48 |
| Total Employee Benefit Expenses | 57.96 | 31.71 |

22. OTHER EXPENSES

| | | |
|---|--------------|--------------|
| Administrative, Selling and Other Expenses | | |
| Rent | 1.06 | 0.95 |
| Rates and Taxes | 2.14 | 0.63 |
| Legal and professional | 23.53 | 18.58 |
| Auditors' Remuneration | 5.92 | 5.68 |
| Postage and Telephone | 3.91 | 1.86 |
| Printing and Stationery | 2.73 | 2.47 |
| Advertisement | 1.94 | 1.80 |
| Director Meeting Fees | 0.15 | - |
| Fees and Subscription | 0.30 | 0.21 |
| Interest on Loan | 1.46 | 3.40 |
| Bank Charges | 0.16 | 0.05 |
| Donation | 5.25 | 1.21 |
| Loss on sale of Investment | 0.33 | - |
| Other Expenses | 20.43 | 4.36 |
| Total Other Expenses | 69.31 | 41.20 |

23 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**1. BASIS OF PREPARATION**

- a) Nalwa Sons Investments Limited has prepared consolidated financial statements by consolidating its accounts with those of its following subsidiaries in accordance with Accounting Standard-21 (Consolidated Financial Statements) and Accounting Standard-23 (Accounting for Investments in Associates in Consolidated Financial Statements) under equity method issued by the Institute of Chartered Accountants of India.

| Name of the Company | Country of Incorporation | % Shareholding/ voting power Current Year | Previous Year |
|--|-------------------------------------|--|----------------------|
| SUBSIDIARIES | | | |
| Jindal Steels & Alloys Ltd. (JSAL) | India | 99.99% | 99.99% |
| Jindal Holding Ltd. (JHL) | India | 86.95% | 86.95% |
| Massillon Stainless Inc. (MSI) – through JSML | USA | 45.63%/61%* | 45.63%/61%* |
| Jindal Stainless (Mauritius) Ltd. (JSML) | Mauritius | 100% | 100% |
| Brahmputra Capital & Financial Services Ltd # | India | 50.10% | 50.10% |
| * Represent voting power | | | |
| # Un-audited financial statements have been considered for purpose of consolidation. | | | |

ASSOCIATES

- | | | | |
|---|-------|--------|-----|
| Jindal Equipment Leasing & Consultancy Services Ltd | India | 43.34% | Nil |
|---|-------|--------|-----|
- b) The Consolidated Financial Statements are prepared according to uniform accounting policies in accordance with the generally accepted accounting principles. The effects of inter group company transaction and resulting unrealised profits are eliminated in consolidation.
- c) The difference between the costs to the company of its investment in the subsidiary companies over the company's portion of equity of the subsidiary companies is recognized in the financial statement as goodwill or capital reserve as the case may be.
- d) (i) Minority interests in net results of consolidated subsidiaries for the year is identified and adjusted against the results of the group in order to arrive at the net results attributable to shareholders of the company.
- (ii) Minority interest share of net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separate from liabilities and the equity of the company's shareholders. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of actual obligation of the minority the same is accounted for by the holding company.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- e) The Financial Statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the company i.e. 31st March, 2015.
- f) Foreign Subsidiaries Conversion – Revenue items have been consolidated at the average rate prevailing during the year and items of the assets and liabilities, both monetary and non-monetary, have been translated at the exchange rates prevailing at the end of the year. Resulting Exchange Gain/ (Loss) are recognized in the Statement of profit and loss.

2. Contingent Liabilities not provided for in respect of :

| | (₹ In Lacs) Current Year | (₹ In Lacs) Previous Year |
|--|-----------------------------|------------------------------|
| a) Disputed Income Liabilities (against which company has preferred appeals) | 3,195.03 | 2,688.85 |
| b) Liability towards Corporate Guarantee to Bank against credit facilities availed by other Body Corporate | 1,487.29 | 2,122.50 |

3. Appeals in respect of certain assessments of Income-Tax are pending and additional tax liabilities/refunds, if any, is not determinable at this stage. Adjustments for the same will be made after the same is finally determined.
4. Based on the information received from supplier regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the required disclosure is given below :

| Sr. No. | Particulars | 2014-15 | 2013-14 |
|---------|---|---------|---------|
| 1 | Principal amount due outstanding | - | - |
| 2 | Interest due on (1) above and unpaid | - | - |
| 3 | Interest Paid to Suppliers | - | - |
| 4 | Payment made to the supplier beyond the appointed day during the year | - | - |
| 5 | Interest due and payable for the period of delay | - | - |
| 6 | Interest Accrued and remaining unpaid | - | - |
| 7 | Amount of further interest remaining due and payable in succeeding year | - | - |
| 5. | In Nalwa Sons Investments Limited and Jindal Holdings Limited, Loans and advances repayable on demand (other than those considered as non performing assets) includes ₹ 15489.78 lacs (Previous year ₹ 9494.21 lacs) due from various OP Jindal Group companies which currently have accumulated losses in their books. The Company has mechanism for review and monitoring of all such loans and is confident of recovering these amounts, which are considered good in nature, as and when called for payment. The Company would take necessary action for recovery of these amounts, if required. | | |
| 6. | In JSML under applicable laws, the Company is liable to income tax on chargeable income in Mauritius at a rate of 15% and with a deemed foreign tax credit equivalent to the higher of actual foreign tax suffered or 80 % of the Mauritius Tax payable on foreign source income such that the effective rate of tax to 3%. | | |
| 7. | In opinion of the board, Value of all Assets other than Fixed Assets and Non-Current Investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. | | |
| 8. | Provision for standard assets is made at 0.25% of the outstanding standard assets as at 31st March, 2015 in terms of Notification No. DNBS.222/CGM (US)-2011 dated 17-01-2011 issued by Reserve Bank of India. The Company has made adequate provision for the Non-Performing assets identified. Accordingly provision for Sub-Standard and doubtful assets are made with the guidelines issued by the Reserve Bank of India. | | |
| 9. | In NSIL and JHL, although the fair value of certain unquoted investments (amount not ascertained) is lower than the cost, considering the strategic and long term nature of the investments, future prospects and asset base of the investee company, such decline, in the opinion of the management, has been considered to be of temporary nature and hence no provision for the same is considered necessary. | | |
| 10. | In JSAL and MSI, Certain balances of the Sundry Debtors, Sundry Creditors and Advances are subject to confirmation/reconciliation, if any. The management does not expect any material difference affecting the financial statement on such reconciliation/ adjustment. | | |
| 11. | Capital reserve on Consolidation represents net of Goodwill of ₹ 58.76 lacs. (Previous Year ₹ 58.76 lacs.) | | |
| 12. | The Company has given loans to various companies, which are repayable on demand. During the year, interest on such loans has been serviced by converting into principal, and the same has also been acknowledged by the borrowers. | | |
| 13. | As per Notification No. DNBR.008/CGM (CDS) – 2015 dated March 27, 2015 issued by Reserve Bank of India, Company is a Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Company because asset size of the Company is less than Rs. 500 Crore. Concentration of single/group exposure norms is not applicable to the Company since the Company is a non- systemic NBFC Company. | | |
| 14. | The Board of Directors of the Company on 11th February, 2013 has decided to convert the company in Core Investment Company (CIC). The necessary Correspondence is being pursued to the Reserve Bank of India (RBI). | | |
| 15. | In Jindal Holdings Limited, during the year ended 31 st March, 2014, pursuant to an internal realignment / reorganization within the O.P. Jindal Group, certain shares held by company are now held by other companies of the O.P. Jindal Group. The carrying value of such investments was adjusted in surplus in statement of profit & loss under the Reserve and Surplus. | | |

16. The useful life of the fixed assets has been revised in accordance with Schedule -II of the Companies Act, 2013 with effect from 1st April, 2014. Hitherto, in the previous year ended 31st March, 2014 the depreciation was charged at the rates prescribed under Schedule-XIV of the Companies Act, 1956. As a result the depreciation charge for the year ended 31st March, 2015 as per Schedule II of the Companies Act, 2013 is higher by ₹ 0.07 Lacs/- . Also depreciation of ₹ 0.36 Lacs (net of deferred tax of ₹ 0.19 Lacs) where useful life of assets is nil is adjusted against opening balance of retained earnings.
17. (i) Provision for Non Performing Loans and Advances amounting to ₹ 1612.00 lacs (previous year 'Nil) on doubtful loans has been decided by the management considering prudential norms prescribed by the Reserve Bank of India as also financial health of the borrower was not good. The borrower has also approached the company to waive the interest due to the liquidity crisis. However, the borrower promises to pay principal amount of the loan after the outcome of Arbitration Proceeding, which is most likely to be in the favour of the borrower.
- (ii) Details of provision for Non -Performing Assets and Movement of provision of Sub-Standard and Doubtful Asset is as under:

| | (₹ in Lacs) Current Year | (₹ in Lacs) Previous Year |
|--|-----------------------------|------------------------------|
| Provision for Sub-Standard Assets: | | |
| Opening Balance | 179.11 | 179.11 |
| Add: Provision made during the year/Transferred to Doubtful Assets | (179.11) | - |
| Closing Balance | - | 179.11 |
| Provision for Doubtful Assets: | | |
| Opening Balance | 585.47 | 585.47 |
| Add: Provision made/ (written back) during the year | 1612.00 | - |
| Transferred from Sub-Standard Assets | 179.11 | - |
| Closing Balance | 2376.58 | 585.47 |

18 Segment Reporting :

- A) Company operates in one business segment i.e. Investment and Finance, which includes consulting revenue related to investment and finance.

B) **Secondary segments
(Geographical Segments)**

| Particulars | Domestic | Overseas | (₹ In Lacs) Total |
|------------------------------|------------------|-----------------|----------------------|
| Revenue | | | |
| 1 Operational Income | 3,061.31 | - | 3,061.31 |
| | 3,676.82 | - | 3,676.82 |
| Other Income | 11.14 | - | 11.14 |
| | 2.80 | - | 2.80 |
| Total Revenue | 3,072.45 | - | 3,072.45 |
| | 3,679.62 | - | 3,679.62 |
| 2 Segment Assets | 38,376.45 | 237.94 | 38,614.39 |
| | 37,689.35 | 220.31 | 37,909.66 |
| 3 Segment Liabilities | 65.74 | 4,222.23 | 4,287.97 |
| | 65.48 | 4,035.69 | 4,101.17 |

Notes :

- C) 1) Segments have been identified in line with AS on Segment Reporting (AS-17), taking into account the organisational structure as well as the differential risk and returns of these segments. The operations of the parent company and its subsidiaries predominately relate to Investment and Financing activities.
- 2) The geographical segment considered for disclosure are as follows :
- Revenue within India include revenue from customers located within India.
 - Revenue outside India include revenue from customers located outside India.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19 Related Parties Transactions

A) List of Related Parties and Relationship (As identified by the Management)(As Per AS-18)

a) Key Management Personnels :

| | | |
|---|--|--|
| 1 | Sh. Mahender Kumar Goel | Executive Director (NSIL) and CEO (BCFL)(w.e.f 15th January,2015) |
| 2 | Sh. M.L. Gupta | Managing Director (JHL) |
| 3 | Sh. M.P. Gupta | CFO (NSIL)(we.f.12th August,2014) and CFO (BCFL) (we.f.15th January,2015) |
| 4 | Sh. Bhartendu Harit | Company Secretary (NSIL) |
| 5 | Smt. Sunita Gupta W/o Sh. M.P. Gupta | Relative of KMP (NSIL) |
| 6 | Smt. Sunita Goel W/o Sh. Mahender Kumar Goel | Relative of KMP (NSIL) |
| 7 | Sh. Sanjay Goel | Managing Director (JSAL) |
| 8 | Sh. P. D. Sharma | Director (BCFL) |
| 9 | Sh. Parmod Garg | Director (BCFL) upto 30th March,2015 |

B) Associates

Jindal Equipment Leasing & Consultancy Services Limited (w.e.f. 30th March, 2015)

(₹ in Lacs)

C) Transactions

| Description | CURRENT YEAR | | | | PREVIOUS YEAR | | | |
|--|--------------------------|-----------|---|----------|--------------------------|-----------|---|-------|
| | Key Management Personnel | Associate | Enterprises controlled by key Management Personnels & their relatives | Total | Key Management Personnel | Associate | Enterprises controlled by key Management Personnels & their relatives | Total |
| Investment made during the year | | | | | | | | |
| Jindal Equipment Leasing & Consultancy Services Ltd. | - | 688.95 | - | 688.95 | - | - | - | - |
| | - | 688.95 | - | 688.95 | - | - | - | - |
| Loan Given | | | | | | | | |
| Jindal Equipment Leasing & Consultancy Services Ltd. | - | 323.15 | - | 323.15 | - | - | - | - |
| | - | 323.15 | - | 323.15 | - | - | - | - |
| Interest Received | | | | | | | | |
| Jindal Equipment Leasing & Consultancy Services Ltd. | - | 159.22 | - | 159.22 | - | - | - | - |
| | - | 159.22 | - | 159.22 | - | - | - | - |
| Remuneration Paid | | | | | | | | |
| Sh. M.P. Gupta (NSIL) | 19.96 | - | - | 19.96 | - | - | - | - |
| Sh. Mahender Kumar Goel (NSIL) | 16.95 | - | - | 16.95 | 15.74 | - | - | 15.74 |
| Sh. Bhartendu Harit (NSIL) | 15.29 | - | - | 15.29 | 13.20 | - | - | 13.20 |
| | 52.20 | - | - | 52.20 | 28.94 | - | - | 28.94 |
| Car Lease rent Paid | | | | | | | | |
| Smt. Sunita Gupta (NSIL) | 0.97 | - | - | 0.97 | - | - | - | - |
| Smt. Sunita Goel (NSIL) | 1.26 | - | - | 1.26 | - | - | - | - |
| | 2.23 | - | - | 2.23 | - | - | - | - |
| Outstanding Balance as on 31.03.2015 | | | | | | | | |
| Equity Investment Outstanding | | | | | | | | |
| Jindal Equipment Leasing & Consultancy Services Ltd. | - | 1,480.95 | - | 1,480.95 | - | - | - | - |
| | - | 1,480.95 | - | 1,480.95 | - | - | - | - |
| Loan Receivable | | | | | | | | |
| Jindal Equipment Leasing & Consultancy Services Ltd. | - | 2,060.70 | - | 2,060.70 | - | - | - | - |
| | - | 2,060.70 | - | 2,060.70 | - | - | - | - |

- 20 The following are the details of Loans and advances of the Company outstanding at the year end in terms of Securities and Exchange Board of India's Circular dated January 10, 2003.

(₹ in Lacs)

| PARTICULARS | Outstanding amount | | Maximum Amount | |
|--|--------------------|------------------|-----------------------------|---------------|
| | as at the year end | | outstanding during the year | |
| | Current Year | Previous Year | Current Year | Previous Year |
| Loan and advances | | | | |
| where there is no repayment schedule | | | | |
| Nalwa Metal & Alloys Limited * | 54.66 | 54.66 ** | 54.66 | 54.66 ** |
| Mansarovar Investments Ltd. | 1373.54 | 3153.61 | 3289.20 | 4488.11 |
| Jindal Equipment Leasing & Consultancy Services Ltd. | 2311.24 | 1816.56 | 2311.24 | 1816.55 |
| Everplus Securities & Finance Ltd. | 5517.73 | 5455.75 | 5517.73 | 5455.75 |
| Renuka Financial Services Limited | 2773.15 | 2936.05 | 2941.06 | 3414.08 |
| Goswami Credits & Investment Ltd. | 997.04 | 768.92 | 1016.17 | 922.14 |
| Gagan Trading Co. Ltd. * | 7.45 | 7.45 ** | 7.45 | 7.45 ** |
| Jindal Stainless Limited* | 400.49 | 400.49 ** | 400.49 | 400.49 |
| JSW Steel Limited.* | 516.63 | 516.63 ** | 516.63 | 516.63 ** |
| Lexicon Finance Limited* | 170.04 | 170.04 ** | 170.04 | 170.04 ** |
| JSL Lifestyle Limited | 936.77 | 1391.87 | 1391.87 | 1759.78 |
| Green Delhi BQS Limited*# | 1906.11 | 1791.11 ** | 1906.11 ** | 1797.11 |
| Vrindavan Services Pvt. Ltd. | 180.00 | 180.00 | 180.00 | 2340.75 |
| Ganga Ferro Alloys Pvt. Ltd. | - | - | - | 739.27 |
| Abhinandan Investments Ltd. | 103.82 | 358.92 | 420.87 | 591.78 |
| Om Savitri Jindal Charitable Society | 250.00 | 250.00 | 250.00 | 250.00 |
| JSW Investments Pvt. Ltd. | 540.00 | 200.00 | 540.00 | 200.00 |
| Reynold Traders Pvt. Ltd. | 3060.00 | 3060.00 | 3060.00 | 3060.00 |
| Manjula Finances Ltd. | 598.10 | 618.10 | 598.10 | 618.10 |
| JSL Limited | 515.22 | - | 606.00 | - |
| Stainless Investments Limited | 701.00 | - | 701.00 | - |
| | 22,912.99 | 23,130.16 | | |

* Provision for Non Performing Assets provided for.

** No Interest charged for the current year.

Loan Given to Green Delhi BQS Limited of ₹ 1906.11. Out of this ₹ 1791.11 is Non Performing Assets

- 21 Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the parent company's financial statements.

2.2 Financial information pursuant to Schedule III of Companies Act, 2013

| Sr. No. | Name of the Enterprise | Net Assets (Total assets minus total liabilities) March 31, 2015 | | Share in profit or loss March 31, 2015 | |
|---------|---|---|-----------------------|---|-----------------------|
| | | As % of consolidated net assets | Amount (₹ in lacs) | As % of consolidated profit/(loss) | Amount (₹ in lacs) |
| | | | | | |
| | Parent | | | | |
| | Nalwa Sons Investments Limited | 108.27 | 34,946.42 | 50.36 | 608.95 |
| | Subsidiaries | | | | |
| | Indian | | | | |
| 1 | Jindal Holdings Limited | 8.30 | 2,678.64 | 3.10 | 37.49 |
| 2 | Jindal Steel & Alloys Limited | 24.60 | 7,939.65 | 48.16 | 582.40 |
| 3 | Brahmputra Capital & Financial Services Ltd. | 12.37 | 3,993.89 | (0.49) | (5.98) |
| | Foreign | | | | |
| 1 | Jindal Stainless (Mauritius) Limited | (0.22) | (70.71) | (0.89) | (10.77) |
| 2 | Massillon Stainless Inc. U.S.A. | (28.64) | (9,243.46) | - | - |
| | Minority Interests in all Subsidiaries | 9.77 | 3,152.62 | (0.16) | (1.91) |
| | Consolidation Adjustments/ Eliminations | (34.46) | (11,121.20) | (0.08) | (0.95) |
| | Total | 100.00 | 32,275.85 | 100.00 | 1,209.23 |

- a) The above figures for Nalwa Sons Investments Limited and its subsidiaries are before inter-company eliminations and consolidation adjustments.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

| | 2014-15 Current Year (₹ in Lacs) | 2013-14 Previous Year (₹ in Lacs) |
|---|--|---|
| Basic and Diluted EPS :- | | |
| Profit/(Loss) after tax attributable to Equity Shareholders | 1209.23 | 2850.01 |
| No. of Shares issued | 51,36,163 | 51,36,163 |
| Basic & Diluted EPS (in ₹) | 23.54 | 55.49 |
| 24 a) Director's Remuneration :- | | |
| Paid to Executive Director | | |
| Salary | 16.14 | 14.99 |
| Provident Fund | 0.81 | 0.75 |
| | 16.95 | 15.74 |
| b) Auditors Remuneration includes the following : | | |
| Payment to Auditors | | |
| Audit Fee | 3.76 | 3.39 |
| Tax Audit Fee | 0.27 | 0.27 |
| Certification Work etc. | 1.89 | 2.02 |
| | 5.92 | 5.68 |

25 Previous year's figures have been re-arranged and regrouped wherever considered necessary.

26 Note No. 1 to 23 are annexed to and form integral part of the Balance Sheet and Statement of Profit and Loss .

Signature to Note No. 1 to 23

In terms of our report of even date annexed hereto

For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

MAHENDER KUMAR GOEL
Executive Director & CEO
(DIN 00041866)

RAJINDER PARKASH JINDAL
Director
(DIN 00004594)

(G.K. AGGARWAL)
Partner
M.No. 086622

M.P. GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

Place : Hisar
Dated : 29th May, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| PARTICULARS | 2014-15(₹ in Lacs) | | 2013-14(₹ in Lacs) | |
|---|--------------------|--|--------------------|--|
| A) CASH INFLOW/(OUTFLOW) FROM THE OPERATING ACTIVITIES | | | | |
| Net Profit before Tax | 1332.37 | | 3,606.62 | |
| Adjustments for :- | | | | |
| Depreciation | 0.32 | | 0.09 | |
| Translation exchange difference (net) | (158.35) | | (361.90) | |
| Provision on Standard Assets | 0.49 | | - | |
| Provision for Non Performing Assets | 1,612.00 | | - | |
| Dividend Income | (1,015.61) | | (1,458.02) | |
| Interest Income | (1,580.59) | | (1,659.24) | |
| Net Gain/ (loss) on Sale of Mutual Funds / Investments | (15.11) | | (9.56) | |
| Previous Year Taxation adjustment | - | | 0.59 | |
| Interest on Loan | 1.46 | | 3.40 | |
| Provision for Doubtful debts/Advances Written Back | (1.59) | | (2.79) | |
| Operating Profit before working capital changes | 175.39 | | 119.19 | |
| Adjustments for :- | | | | |
| Trade Receivable | 83.72 | | 161.98 | |
| Loans and advances | (676.35) | | (3,032.00) | |
| Inventory | - | | (564.72) | |
| Current Assets | - | | (0.01) | |
| Current Liabilities | 42.74 | | 2,111.38 | |
| CASH GENERATED FROM OPERATION | (374.50) | | (1,204.18) | |
| Direct Tax Advance/Refund | (653.87) | | (760.67) | |
| Net Gain/ (loss) on Sale of Mutual Funds / Investments | 15.11 | | 9.56 | |
| Interest Received | 1580.59 | | 1,659.24 | |
| Dividend Received | 1015.61 | | 1,458.02 | |
| NET CASH INFLOW FROM OPERATING ACTIVITIES | 1582.93 | | 1,161.97 | |
| B) CASH INFLOW / (OUTFLOW) FROM INVESTMENT ACTIVITIES | | | | |
| Purchase of Fixed Assets | (1.10) | | - | |
| Purchase of Investments | (2,119.45) | | (1,343.43) | |
| Sale of Investments | 450.00 | | - | |
| NET CASH INFLOW FROM INVESTMENT ACTIVITIES | (1,670.55) | | (1,343.43) | |
| C) CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES | | | | |
| Interest Paid | (1.46) | | (3.40) | |
| Increase /(Decrease) in Unsecured Long Term Loans | 143.37 | | 287.46 | |
| NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES | 141.91 | | 284.06 | |
| NET CHANGES IN CASH AND CASH EQUIVALENT | 54.30 | | 102.60 | |
| Cash and cash equivalent (opening balance) | 149.79 | | 47.19 | |
| Cash and cash equivalent (closing balance) | 204.09 | | 149.79 | |

NOTE:

1. Increase/(Decrease) in unsecured long term loans are shown net of repayments.
2. Previous year's figures have been regrouped wherever necessary.

In terms of our report of even date annexed hereto

For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

MAHENDER KUMAR GOEL
Executive Director & CEO
(DIN 00041866)

RAJINDER PARKASH JINDAL
Director
(DIN 00004594)

(G.K. AGGARWAL)
Partner
M.No. 086622

M.P. GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

Place : Hisar
Dated : 29th May, 2015

Statement containing salient features of the financial statement of Subsidiaries/Joint Ventures pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Form AOC - I

Part "A": Subsidiaries

| | | Subsidiary Companies | | | | | | ₹ in Lacs |
|-------------|-------------------------------|---|-------------------------------|-------------------------------------|---|-----------|-------------------|-----------|
| Particulars | | Brahmputra Capital & Financial Services Limited | Jindal Holdings Limited | Jindal Steel & Alloys Limited | Jindal Stainless (Mauritius) Limited | Massillon | Stainless Inc. | |
| 1 | Capital | 4,259.00 | 1,849.98 | 702.00 | 6,697.22 | | 2,950.53 | |
| | | | | | USD 1,07,00,000.00 | USD | 47,14,000.00 | |
| 2 | Reserves | (265.11) | 828.66 | 7,237.65 | (6,767.93) | | (12,193.99) | |
| | | | | | USD(1,08,12,976.00) | USD | (1,94,82,085.10) | |
| 3 | Total Assets | 4,118.11 | 4,308.59 | 7,940.07 | 9.57 | | 228.37 | |
| | | | | | USD 15,292.00 | USD | 3,64,856.61 | |
| 4 | Total Liabilities (Outside) | 124.22 | 1,629.95 | 0.42 | 8.51 | | 9,471.83 | |
| | | | | | USD 13,599.00 | USD | 1,51,32,941.71 | |
| 5 | Investments | - | 3,604.13 | 3,679.00 | - | | - | |
| | | | | | USD 1.00 | USD | - | |
| 6 | Turnover/Total Income | 8.50 | 56.48 | 885.86 | - | | - | |
| | | | | | USD - | USD | - | |
| 7 | Profit/(Loss) before Taxation | (5.98) | 55.01 | 869.90 | (10.77) | | - | |
| | | | | | USD (17,211.00) | USD | - | |
| 8 | Provision for Taxation | - | 17.52 | 287.50 | - | | - | |
| | | | | | USD - | USD | - | |
| 9 | Profit/(Loss) after Taxation | (5.98) | 37.49 | 582.40 | (10.77) | | - | |
| | | | | | USD (17,211.00) | USD | - | |
| 10 | Proposed Dividend | - | - | - | - | | - | |
| | | | | | USD - | USD | - | |

Form AOC - I

Part "B": Associate

Statement Pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate

| Name of the Associate | | Jindal Equipment Leasing and Consultancy Services Ltd |
|-----------------------|--|--|
| 1. | Latest Audited Balance Sheet Date | 31.03.2015 |
| 2. | Shares of Associate Held by the company on the year end | |
| | Number of Shares | Equity- 33,51,000 |
| | Amount of Investment in Associate (₹ In lacs) | Equity- 1830.95 |
| | Extent of Holding (%) | 43.34% |
| 3. | Description of how there is significant Influence | Note-A |
| 4. | Reason why the associate is not Consolidated | N.A. |
| 5. | Net worth Attributable to shareholding as per latest audited balance sheet (₹ In lacs) | 2,184.94 |
| 6. | Profit/(Loss) for the year | |
| | Considered in Consolidation (₹ in lacs) | (1.16) |
| | Not Considered in Consolidation (₹ in lacs) | (488.83) |

Note:

A. There is significant influence due to percentage (%) of share capital.

Nalwa Sons Investments Limited

(CIN: L65993DL1970PLC146414)

Regd. Office: 28 Najafgarh Road, Moti Nagar Industrial Area, New Delhi – 110 015

Phone No. (011) 45021854, 45021812. **Fax No.:** (011) 25928118, 45021982.

Email Id.: investorcare@nalwasons.com **Website:** www.nalwasons.com

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

E-COMMUNICATION REGISTRATION FORM

To,

Link Intime India Private Limited

(Unit: Nalwa Sons Investments 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) The form is also available on the website of the Company www.nalwasons.com under the section 'Shareholders information'.
- 3) Shareholders are requested to keep the Company's Registrar – Link Intime India Pvt. Ltd. informed as and when there is any change in the e-mail address.

Form No. MGT-11
Proxy Form
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3)
of the Companies (Management and Administration) Rules, 2014]

CIN :- L65993DL1970PLC146414

Name of the Company: Nalwa Sons Investments Limited

Registered Office: 28, Najafgarh Road, Moti Nagar Industrial Area, New Delhi – 110 015.

| | |
|--------------------------------|--|
| 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: |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 44th Annual General Meeting of the Company, to be held on Monday, 28th day of September, 2015 at 03.30 P.M. at N. C. Jindal Public School, Road No. 73, West Punjabi Bagh, New Delhi - 110026 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No. | Resolution | For | Against |
|---------|---|-----|---------|
| 1 | To adopt Standalone and Consolidated Financial Statements of the Company including Report of Board of Directors and Auditors. | | |
| 2 | To appoint a Director in place of Mr. Mahender Kumar Goel, who retires by rotation and being eligible, offers himself for re-appointment. | | |
| 3 | Ratification of appointment of M/s. N.C. Aggarwal & Co., Chartered Accountants, (Firm Registration No. 003273N), Statutory Auditors of the Company. | | |
| 4 | To consider appointment of Mr. Shailesh Goyal as an Independent Director | | |
| 5 | To consider appointment of Mrs. Vaishali Deshmukh as an Independent Director. | | |

Signed this day of September, 2015

Affix
Revenue
Stamp

Signature of Shareholder

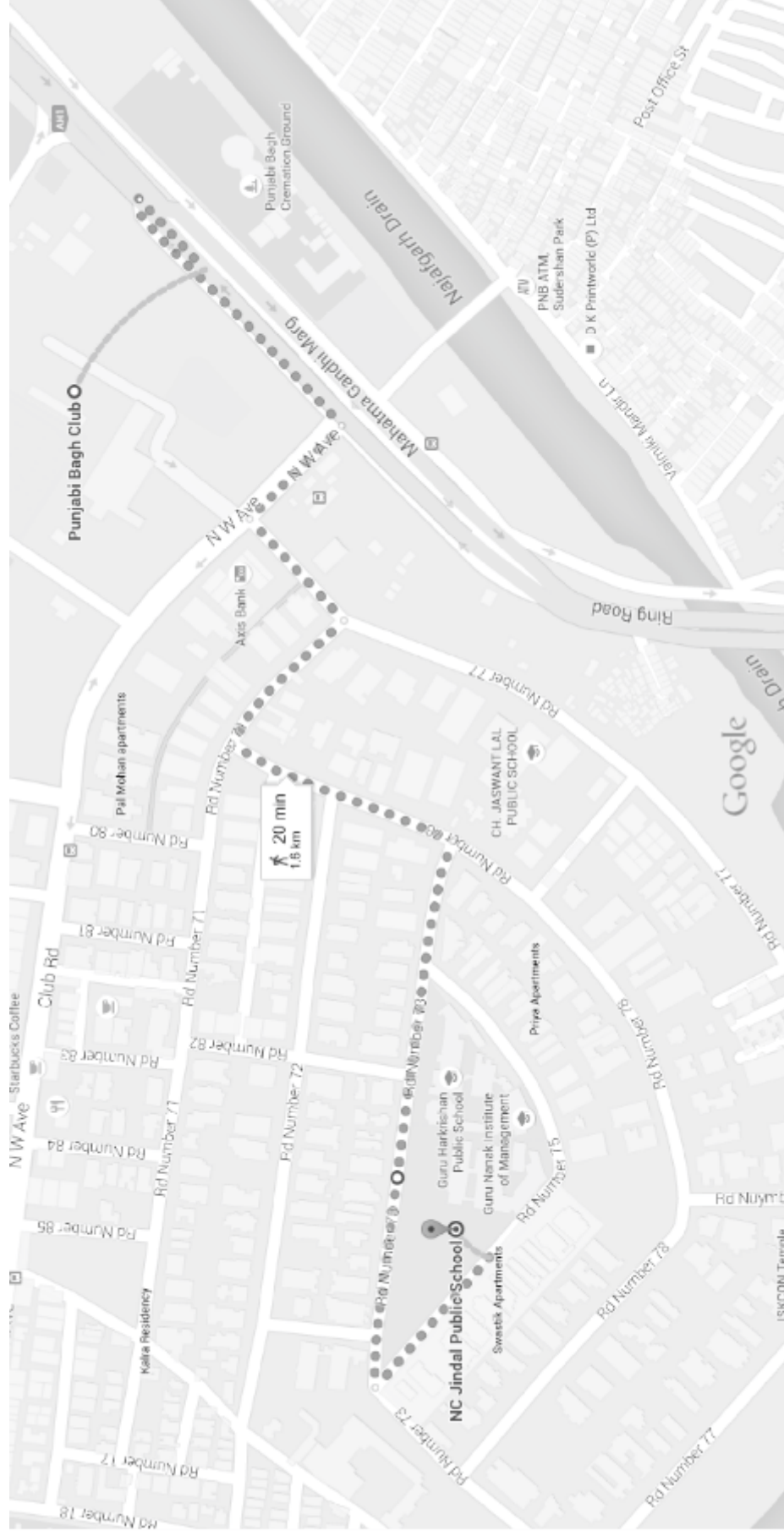
Signature of Proxy holder(s)

Notes

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

***Applicable for Investors holding shares in demat form.**

Route Map to the Venue of the Meeting





If undelivered, please return to:

Nalwa Sons Investments Limited

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

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

Email: investorcare@nalwasons.com

CIN: L65993DL1970PLC146414

NALWA SONS INVESTMENTS LIMITED

CIN: L65993DL1970PLC146414

Registered Office: 28, Najafgarh Road, Moti Nagar Industrial Area, New Delhi - 110 015

Phone No.: (011) 45021854, 45021812, **Fax No.:** (011) 25928118, 45021982

Email ID: investorcare@nalwasons.com **Website:** www.nalwasons.com

Attendance Slip for 44th Annual General Meeting
(to be handed over at the registration counter)

Folio No./DP ID & Client ID:

Name:

Address of Shareholder:

I/We hereby record my/our presence at the 44th Annual General Meeting of the Company at N.C. Jindal Public School, Road No. 73, West Punjabi Bagh, New Delhi – 110 026 on Monday, the 28th day of September, 2015 at 3:30 p.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.

ELECTRONIC VOTING PARTICULARS

| EVSN (E Voting Sequence Number) | USER ID | *Sequence No. |
|---------------------------------|---------|---------------|
| 150825024 | | |

* Applicable to those members who have not updated their PAN with the Company/Depository Participant