

48th
ANNUAL REPORT
(CIN- L27104HR1970PLC005240)

2017-2018

JOTINDRA STEEL AND TUBES LTD.

JOTINDRA STEEL AND TUBES LIMITED 48th ANNUAL REPORT
(CIN: L27104HR1970PLC005240)

BOARD OF DIRECTORS: SHRI A. K. SUREKA(DIN:00060206) MANAGING DIRECTOR
SHRI V. K. SUREKA(DIN:00060160) DIRECTOR
SHRI O. P. BHARDWAJ(DIN:00060405) DIRECTOR
SHRI K. CHOWDHURY(DIN:01231137) DIRECTOR
SMT. JASPREET ARORA (DIN:06959857) DIRECTOR
SHRI DHEERAJ ARORA(DIN:0006897134) DIRECTOR

AUDITORS : M/S HUMS & ASSOCIATES
CHARTERED ACCOUNTANTS
H.O.- 307 SURYA COMPLEX,
21, VIR SAVARKAR BLOCK,
SHAKARPUR, DELHI-110 019.

COMPANY SECRETARY: SMT. SHWETA GARG
CHIEF FINANCIAL OFFICER: SHRI GOVINDPAL SINGH
COST AUDITORS : M/S NISHA VATS & CO.,
COST ACCOUNTANTS
F-100, LAXMI PARK,
NANGLOI,
DELHI-110041

SECRETARIAL AUDITORS : JYOTI ARYA & ASSOCIATES.
K-009, DDA LIG FLATS, POCKET-C,
MOLARBAND, NEW DELHI-110076

PRINCIPAL BANKERS : STATE BANK OF INDIA

REGISTERED OFFICE : 14/3, MATHURA ROAD
& WORKS FARIDABAD-121 003
(HARYANA)

HEAD OFFICE : 602, CHIRANJIV TOWER,43, NEHRU PLACE
NEW DELHI-110 019.

REGISTRAR & TRANSFER AGENTS : M/S. BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.,
BEETAL HOUSE,99, MADANGIR, BEHIND LOCAL
SHOPPING CENTRE, NEAR DADA HARSUKH DASS MANDIR,
NEW DELHI – 110062.

SHARES LISTED AT : METROPOLITAN STOCK EXCHANGE OF INDIA LTD..(MCX-SX))



JOTINDRA STEEL & TUBES LIMITED

Regd. Office & Works: 14/3, Mathura Road, Faridabad- 121 003 (Haryana) India

Phone: +95-129-2477800, 2477806, CIN: L27104HR1970PLC005240

E-mail: jotindra@jotindra.com; Web-site: www.jstltd.com

NOTICE

The Forty-Eighth Annual General Meeting of the Company will be held as scheduled below:

Date: Saturday, the 29th September, 2018

Time: 3.30 P.M.

Place: 14/3, Mathura Road, Faridabad-121003 (Haryana)

To transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2018 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Vishnu Kumar Sureka (DIN:00060160), who retires by rotation and, being eligible, offers himself for re- appointment.

SPECIAL BUSINESS:

1. To Re-appoint Smt. Jaspreet Aarora (DIN:06959857) as an Independent Director under Companies Act, 2013 and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, read with Schedule IV and all other applicable provisions of companies act and companies (Appointment & qualification of directors) Rule, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment thereof), Smt. Jaspreet Aarora (DIN:06959857) an Independent Director of the Company, whose term of office as an Independent Director expires on March 31, 2019 and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing her candidature for the office of Director, be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for second term of five consecutive years commencing from April 1, 2019 up to March 31, 2024.”

2. To appoint Shri A. K. Sureka (DIN: 00060206) as the Managing Director of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

“**RESOLVED** that pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 the proposal for appointment of Shri Akhil Kumar Sureka as the Managing Director of the Company with effect from 1st July 2018, who would be liable to retire by rotation, on a remuneration and perquisites not exceeding the limits prescribed under 197 of the Companies Act, 2013 and/ or Part- II of Schedule V to the Companies Act, 2013 on the terms and conditions as approved by the Remuneration Committee, given herein below be and is hereby considered and approved, subject to approval of the shareholders in the General Meeting:

1. Period of Appointment : Two Years with effect from 01-07-2018
2. Salary : Rs. 1,26,000/- per month.

3. Perquisites : (A) Contribution to provident Fund as applicable under the Provident Fund Act..
(B) Gratuity @ half-a- month salary for each completed year of service.
(C) Earned Leaves as per the Rules of the Company which will be encashable at the end of the tenure, if not availed
(D) Furnished residential accommodation and reimbursement of expenditure incurred on Gas, Electricity, Water and Furnishing.
(E) Reimbursement of actual medical expenses of self & family.

Further “Resolved that in case of no profits or inadequacy of profits in any of the financial year of the currency of his tenure, the salary plus perquisites per month as minimum remuneration shall be paid to Shri A.K. Sureka not exceeding the limits as prescribed under Part-II of Schedule V of the Companies Act, 2013 as amended.”

FURTHER RESOLVED THAT the Board of directors be and is hereby authorized to do all acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.”

3. To appoint Shri O.P. Bhardwaj (DIN: 00060405) as Director (Commercial) of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

“RESOLVED that pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions , if any, of the Companies Act, 2013 the proposal for appointment of Shri O.P. Bhardwaj as the Director(commercial) of the Company with effect from 1st July 2018, who would be liable to retire by rotation, on a remuneration and perquisites not exceeding the limits prescribed under 197 of the Companies Act, 2013 and/ or Part- II of Schedule V to the Companies Act, 2013 on the terms and conditions as approved by the Remuneration Committee, given herein below be and is hereby considered and approved, subject to approval of the shareholders in the General Meeting:

1. Period of appointment : Two Years with effect from 01.07.2018.
2. Salary : Rs. 60,000/-per month.
3. Allowances : Rs. 40,000/-per month.
4. Perquisites : (A) LTA equal to one month salary in a financial year.
(B) Encashment of unavailed earned leaves not exceeding 30 days in a financial year.
(C) Contribution to PF by the Company @ 12% of the basic salary
(D) Reimbursement of Medical Expenses subject to maximum of one month of the basic salary.
(E) Bonus as per Company Rules.
(F) Gratuity payable at the rate not exceeding half a month’s salary for each completed year of service.

Further “Resolved that in case of no profits or inadequacy of profits in any of the financial year of the currency of his tenure, the salary plus perquisites per month as minimum remuneration shall be paid to Shri O.P. Bhardwaj not exceeding the limits as prescribed under Part-II of Schedule V of the Companies Act, 2013 as amended.”

FURTHER RESOLVED THAT the Board of directors be and is hereby authorized to do all acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.”

4. Approval for Creation of charge on the assets of the company in conformity with section 180(1) (a) of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT consent of shareholders of the company be and is hereby accorded, pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party, from time to time, for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed Rs. 400.00 Crores (Rupees Four Hundred Crores only) at any time.”

5. To approve entering into Transactions with Related Parties u/s 188 of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

“ RESOLVED that pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013, if any, consent of the Company be and is hereby accorded to the Board of Directors for entering into related party transactions by the Company with effect from 1st April, 2018 upto a maximum amount per annum as specified herein below:

| MAXIMUM VALUE OF CONTRACT/ TRANSACTION (PER ANNUM) WEF 1ST APRIL, 2018. Rs. in Crores | | | | | |
|---|--|--|---------------------------------|---|--------|
| Name of the related parties and name of the Directors or Key Managerial Personnel who is related, if any alongwith nature of their relationship : | Transactions defined u/s 188(1) of the Companies Act,2013 | | | | Others |
| | Sale, purchase or supply of any goods material | Selling or otherwise disposing of or buying property of any kind | Leasing of property of any kind | Availing or rendering of any services ; Appointment of any agent for purchase or sale of goods; materials, services or property | |
| COMPANIES | | | | | |
| Sunav Industries Private Limited | - | - | - | - | 15 |
| Mauria Udyog Ltd. | 100 | 100 | 10 | 100 | 100 |
| Bihariji Ispat Udyog Ltd. | 02 | 02 | 02 | 02 | 05 |
| Quality Synthetic Industries Ltd. | 02 | 02 | 02 | 02 | 02 |
| Srinarayan Rajkumar Merchants Ltd. | 02 | 02 | 02 | 02 | 05 |
| JST Engineering Services Ltd. | 01 | 01 | 01 | 01 | 01 |
| Vee Em Infocentre Pvt. Ltd | 01 | 05 | 03 | 05 | 02 |
| Synergy Freightways Pvt. Ltd. | 01 | 01 | 01 | 01 | 01 |
| Sarvome Buildwell Pvt. Ltd. | 01 | 01 | 01 | 01 | 01 |
| Sarvome Developers Pvt. Ltd. | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Sarvome Estates Pvt. Ltd. | 2.5 | 01 | 01 | 01 | 01 |
| Sarvome Housing Pvt. Ltd. | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Sarvome Housing Projects Pvt. Ltd. | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Sarvome Infrastructure Projects Pvt. Ltd. | 05 | 05 | 05 | 05 | 05 |
| Sarvome Real Estate Developers Pvt. Ltd. | 01 | 01 | 01 | 01 | 01 |

| | | | | | |
|--|----|----|----|----|----|
| TRUST SOCIETY/FIRMS/ LLP | | | | | |
| Sureka Public Charity Trust- | 01 | 01 | 01 | 01 | 01 |
| Ozone GSP Infratech- | - | - | - | - | 30 |
| Subsidiaries/step-down subsidiaries/joint ventures | | | | | |
| Directors/Kmps/Relatives of directors/ other firms and companies in which directors have interest as per section 2(76) of the Companies Act, 2013 | 05 | 05 | 02 | 02 | 05 |
| Note: Terms and conditions of transactions to be entered into with the above named parties are subject to and to be agreed upon and approved from time to time by the Board of Directors. | | | | | |

Further “Resolved that for the purpose of giving effect to this Resolution, the Board of Directors and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things and matters as the Board of Directors and/or Committee thereof may in its absolute discretion consider necessary, proper, expedient or appropriate.”

6. To approve the remuneration of the Cost Auditors for the financial year ending March, 2019 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 Section 148 and other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s Nisha Vats &Co the Cost Auditors appointed by the Board of Directors of the Company, to conduct the Audit of the cost records of the Company for the financial year ending March 31, 2019, be paid remuneration of Rs. 25000.”

“ Resolved further that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
Jotindra Steel & Tubes Ltd.

Sd/-
Shweta Garg
Company Secretary

Registered Office:

14/3, Mathura Road
Faridabad-121 003 (Haryana)
CIN: L27104HR1970PLC005240
Date: 05th September, 2018

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (HEREINAFTER KNOWN “THE MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A blank form of proxy is enclosed herewith and if intended to be used, it should be deposited duly filled-up at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty 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 ten percent 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. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. Only registered members of the Company holding shares as on the Cut-off date decided for the purpose, being Saturday, 22nd September, 2018 or any proxy appointed by such registered member may attend and vote at the Annual General Meeting as provided under the provisions of the Companies Act, 2013.
3. The Register of members and share transfer books of the Company will remain closed from Saturday, the Saturday, 22nd September, 2018 to Saturday, the 29th September, 2018 (both days inclusive).
4. Explanatory Statement as required under Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. In terms of Notification issued by the Securities and Exchange Board of India, equity shares of the Company are under compulsory demat trading by all investors w.e.f. 21st March, 2000. Members are, therefore, advised to dematerialize their shareholding to avoid inconvenience, in future. Members are, therefore, advised to dematerialize their shareholding to avoid inconvenience, in future. Members can avail the various benefits of dematerialization which include easy liquidity, ease of trading and transfer, saving in stamp duties and elimination of any possibility of loss of documents and bad deliveries.
6. SEBI has decided that securities of listed companies can be transferred only in dematerialized form December 5, 2018. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
7. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent of the Company.
8. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of directors seeking appointment/re-appointment at the AGM, forms part of the Notice.
9. All the documents referred to in the notice will be available for inspection at the Company's registered office during normal business hours on all working days upto the date of AGM. The Register of Directors and Key managerial Personnel and their shareholding, maintained under section 170 of the Companies Act 2013(Act), and the Register of Contracts or Arrangements in which directors are interested, maintained under section 189 of the Act, will be available for inspection by the members at the AGM.
10. Members whose shareholding is in electronic mode are requested to direct change of address, contact details and bank account details, in case of change, to their respective depository participant(s). Members holding shares in physical form are requested to update their addresses and contact details with the Registrar and Share Transfer Agent of the Company, if there is any change.
11. In terms of section 101 of the Companies Act 2013, read together with the rules made thereunder, the Company forwarded soft copies of the all the documents to be sent to the shareholders including the General Meeting notices along with Audited Accounts and requisite reports thereon to all those members who have registered their e-mail ids with their respective DPs or with the Share Transfer Agent of the Company. Please note that these documents are also be available on the Company's Website at www.jstltd.com. All the members are requested to ensure to keep their e-mail addresses updated with the Depository Participants or by writing to the Company at jotindrasteelandtubes@gmail.com quoting their folio number(s) or their DP/ CLIENT IDs.
12. Voting Rights: Shareholders holding equity shares shall have one vote per share as shown against their holding and shareholders.

13. Voting through electronic means:

- a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and the Rules made thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a member of the Company holding shares either in physical form or in dematerialized form may exercise his right to vote by electronic means in respect of the resolution(s) contained in this notice.
- b. The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).
- c. The Company shall also provide facility for voting through Ballot/polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting
- d. The members who have exercised 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.
- e. The Board of Directors have appointed Mrs. Rachna Mittal, ACS-A29072, COP-16042, of M/s RACHNA MITTAL AND ASSOCIATES, Company Secretaries, 205, Near HAFED, Mukesh Colony, Ballabhgarh (Haryana), for conducting the voting / poll and remote e-voting process in a fair and transparent manner.
- f. The cut-off date for the purpose of voting (including remote e-voting) in the meeting is Saturday, 22nd **September, 2018**.
- g. Members are requested to carefully read the instructions for remote e-voting before casting their vote.
- h. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

| COMMENCEMENT OF E-VOTING | END OF E-VOTING |
|---|---|
| Wednesday, 26 th September, 2018 at 9.00 A.M | Friday, 28 th September, 2018 at 5.00 P.M. |

- i. Any member, who have cast his/her/its vote through remote e-voting, may participate in the annual general meeting but shall not be allowed to vote at the AGM.
- j. Persons who have acquired shares and became members of the Company after dispatch of the Notice of AGM but before the cut-off date of Saturday, 22nd September, 2018, may obtained their user ID and password for e-voting from the Company's Registrar and share transfer Agent or CDSL.
- k. **The instructions for shareholders voting electronically are as under:**
 - (i) The voting period begins on Wednesday 26th September, 2018 at 09:00 A.M. and ends on Friday, 28th September, 2018 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) 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.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) 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.
 - (vii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|--|---|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <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 (iv). |

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **JOTINDRA STEEL AND TUBES LIMITED** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a 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.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **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 linked in the login 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.
- (XX) 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

If any member has any problem/ query regarding e-voting then he may contact to the below person:

Name : Puneet Mittal,
 Designation : General Manager
 Address : M/s BEETAL Financial & Computers Services Pvt. Ltd.
 BEETAL HOUSE, 99, Madangir, Behind Local Shopping centre
 Near DadaHarsukhDass Mandir, New delhi-110 062
 E-mail id : beetalrta@gmail.com
 Phone No. : 011-29961281(6 Lines)

- The e-voting module shall be disabled by CDSL for voting after Friday, 28th September, 2018 (After 05.00 pm).
 - The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on Saturday, 22nd September, 2018.
 - The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutinizer, by use of ballot/polling for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
 - The Scrutinizer immediately after conclusion of voting by eligible members at AGM (through polling paper) shall, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting, in presence of at least two (2) witness not in the employment of the Company. Thereafter, the scrutinizer shall prepare consolidated report and forward it to the Chairman of the Company, or any other director so authorized, who shall counter sign the same and declare the result within 48 hours of conclusion of the AGM. The result of AGM shall be declared by intimating to the stock exchanges and by placing on the website of the Company and Agency. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting. i.e. Saturday, the 29th of September, 2018.
 - A Member can opt for only one mode of voting i.e. either through remote e-voting or at the venue of AGM through polling paper. If a Member casts his/her vote by both modes, then voting done through remote e-voting shall prevail and the voting through polling paper shall be treated as invalid.
14. The result declared alongwith the Scrutinizer’s Report shall immediately be placed on the Company’s web-site www.jstltd.com and on the web-site of CDSL www.evotingindia.com and communicated to the MSEI, where the shares of the company are listed

EXPLANATORY STATEMENT:

(Pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”), attached to the Notice dated 05th September, 2018 convening the 48th Annual General Meeting)

Businesses:

Item No. 1

Special Resolution

In line with the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 including the Rules made thereunder (‘the Act’) and the erstwhile Listing Agreement, Smt. Jaspreet Arora an Independent Director of the Company was appointed at the Annual General Meeting of the Company held on 30th September, 2014, to hold office for five consecutive years for a term up to March 31, 2019. Sub-section (11) of Section 149 of the Act provides that Independent Directors shall not hold office for more than two consecutive terms. The Board of Directors of the Company and the Nomination and Remuneration Committee have evaluated the performance of the Independent Directors and on the basis of the said evaluations have concluded that the Independent Directors fulfill their responsibilities towards the Company in a professional and ethical manner, actively participate in discussions during the Board and Committee meetings and act objectively and constructively while bringing an independent opinion during deliberations at the said meetings. It is now proposed that the Independent Directors of the Company be appointed for a second term of five consecutive years, commencing from April 1, 2019 up to March 31, 2024.

Smt. Jaspreet Arora is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given her consent to act as Director. The Company has also received declarations from the above Director that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).

The Company has also received separate notices in writing from a member, proposing the candidature of each of the aforementioned Director for the office of Director of the Company.

In the opinion of the Board, she also fulfill the conditions for her reappointment as Independent Directors as specified in the Act and the Listing Regulations. She is independent of the management. No other director or Key managerial personnel or their relatives is interested or concerned in the proposed special resolution no. 1 referred to above.

Details of the Director as required to be provided pursuant to Regulation 36(3) of the Listing Regulations and SS – 2 (Secretarial Standards on General Meetings) are provided as an Annexure to this Notice.

Item No. 2

Special Resolution

The Board of Directors of the Company, pursuant to the provisions of section 196,197 and 203 read with Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or any re-enactment(s) thereof, for the time being in force appointed Shri A. K. Sureka (DIN:00060206) as the Managing Director of the Company w.e.f. 1st July, 2018 who would be liable to retire by rotation on the same remuneration for a fresh term of One year. **Shri A. K. Sureka** was appointed as the Managing Director w.e.f. 01st July, 2013 on the terms and remuneration approved by the members in their 43rd Annual General Meeting for a period of Five years.

Nature of expertise in specific functional area- Shri A.K. Sureka has over 20 years of rich experience in Steel Industry & Finance apart from excellence in overall management and joined the Board as promoter director wef. 01st August, 2005.

The Board of Directors considers that that in view of the background and experience of Shri A.K. Sureka it would be in the interest of the Company to appoint him as the Managing Director of the Company.

The Board therefore, recommends the Resolution under reference for the approval of shareholders.

Except Shri A.K. Sureka and Shri V.K. Sureka, being his father, no other director or Key managerial personnel or their relatives is interested or concerned in the proposed special resolution no. 2 referred to above.

Details of the Directors as required to be provided pursuant to Regulation 36(3) of the Listing Regulations and SS – 2 (Secretarial Standards on General Meetings) are provided as an Annexure to this Notice.

Item No. 3 Special Resolution

The Board of Directors of the Company, pursuant to the provisions of section 196,197 and 203 read with Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or any re-enactment(s) thereof, for the time being in force appointed Shri O.P. Bhardwaj (DIN:00060405) as Director (Commercial) of the Company w.e.f. 1st July, 2018 who would be liable to retire by rotation on the revised remuneration for a fresh term of two year. Shri O.P. Bhardwaj was appointed as the Director (Commercial) w.e.f. 01st July, 2013 on the terms and remuneration approved by the members in their 43rd Annual General Meeting for a period of Five years.

Nature of expertise in specific functional area- Shri O.P. Bhardwaj has over 37 years of rich experience in Pipe Industry & Finance apart from excellence in overall management and joined the Board as director w.e.f. 01st December, 2003.

The Board of Directors considers that that in view of the background and experience of Shri O.P. Bhardwaj it would be in the interest of the Company to appoint him as Director (Commercial) of the Company.

The Board therefore, recommends the Resolution under reference for the approval of shareholders.

No other director or Key managerial personnel or their relatives is interested or concerned in the proposed special resolution no. 3 referred to above.

Details of the Directors as required to be provided pursuant to Regulation 36(3) of the Listing Regulations and SS – 2 (Secretarial Standards on General Meetings) are provided as an Annexure to this Notice.

Item No. 4 Special Resolution

Section 180 (1) (a) of the Companies Act, 2013 provides that the Board / Committee of directors of a Public Company shall not, except with the consent of the Company in the General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings. The strategy of the Company is to grow business and growth in business requires funds/finance. In order to increase funds/finance, the Company would resort to borrowings from time to time for the purpose of its business by way of different types of loans, Debentures, Bonds, Securities, Deposits, financial assistance from various financial/investment institution(s), bank(s), insurance Company(ies), Corporate Body(ies), Mutual Fund(s), funds, Trustee(s), Trusts and other persons / investors apart from working Capital facilities from Banks in the ordinary course of business.

This would require securities to be given to the lenders, on the assets, properties of the Company by creating mortgage, pledge, hypothecation, lien, charge of any nature or otherwise of the Company's assets and properties of the Company as the case may be. This in turn necessitates the enhanced creation of security by suitable modes of charges on all or some of the movable and/or immovable properties of the Company, both present and future in favour of the lenders. The proposed resolution set out in this Notice seeks to authorise the Board/Committee of directors to mortgage and/or charge the assets and/or properties of the Company to secure loans, debentures, securities, bonds, financial assistance, credit facilities obtained/to be obtained, from lenders, upto Rs. 400 Crores (Rupees Four Hundred Crores).

The Board recommends the passing of the resolution set out in this Notice as a Special Resolution by the share holders of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the resolution set out in this Notice except to the extent of their holding in Securities of the Company.

As per Companies Amendment Act, 2017 Proviso to Section 110(1) has been inserted. Now that any item of business required to be transacted by means of postal ballot under clause (a), may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means under section 108 in the manner provided in that section

**Item No. 5
Ordinary Resolution**

In the light of provisions of the Companies Act, 2013, the Board of Directors of your company seeks to obtain overall consent of the shareholder with monetary annual limits that the Board of Directors may enter into with its Related Parties (as defined under the Companies Act, 2013) from time to time for the financial year 2018-19 and beyond depending upon the business exigencies as it would be in compliance of and consistent with the requirement of obtaining prior approvals of the shareholders for each and every Related Party transactions.

All prescribed disclosures as required to be given under the provisions of Companies Act, 2013 and the Companies (Meeting of the Board and the Powers) Rules, 2014 are given in Resolution no. 09 under Special Business of the Notice in the tabular format for the kind perusal of the members.

Members are hereby informed that pursuant to the second proviso of section 188(1) of Companies Act, 2013, no member of the company shall vote on such Ordinary resolution to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

The Board of Directors of your company has approved this item in the Board Meeting held on 05th September, 2018 and recommends the Resolution as set out in the Notice for the approval of members of the Company as an Ordinary Resolution.

Except Promoter Directors and Key Managerial Personnel of the Company and their relatives, no other Director is concerned or interested in the Resolution.

**Item No.- 6
Ordinary Resolution**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019 as per the following details:

| Sl.No. | Name of the Cost Auditor | Industry | Amount of Fee |
|--------|--------------------------|----------|---------------|
| 1 | M/s Nisha Vats & Co. | Steel | Rs. 25000 |

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rule, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2019.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 for approval by the shareholders.

By Order of the Board
JOTINDRA STEEL & TUBES LIMITED

Sd/-
SHWETA GARG
Company Secretary

Registered Office:
14/3, Mathura Road
Faridabad-121 003 (Haryana)
CIN: L27104HR1970PLC005240
Date: 05th September, 2018

PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD - 2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI) INFORMATION ABOUT THE DIRECTOR PROPOSED TO BE RE- APPOINTED/ APPOINTED ARE FURNISHED AS BELOW:

| Name of Directors | SHRI A. K. SUREKA | SHRI V.K. SUREKA | SHRI O.P. BHARDWAJ | SMT. JASPREET ARORA |
|---|--|--|--|---|
| DIN | 00060206 | 00060160 | 00060405 | 06959857 |
| Date of Birth | 08/09/1978 | 23/09/1950 | 07/06/1951 | 14/05/1980 |
| Date of First Appointment | 01/08/2005 | 22/08/1987 | 01/12/2003 | 27/08//2014 |
| Qualification | Graduate | Graduate | B.Com(Hon.) | M.A. B.Ed. |
| Expertise in specific functional area | 20 Years working experience in Steel Industry | He is a graduate and an Industrialist having 45 years' experience in the Steel Industry. | He is B.Com(Hon.) and having 37 years experience in Pipe Industries. | Have more than 12 years of experience in education sector. |
| Relation with other Directors | Related with Mr. V.K. Sureka, Director of the company | Related to Shri A.K. Sureka, MD of the Company. | Not Related to any of Directors of the company | Not Related to any of Directors of the company |
| List of public companies in which directorship held (including foreign Companies) | -Quality Synthetic Industries Ltd. | 1 Sri Narayan Rajkumar Merchants Ltd. 2. Jotindra Steel & Tubes Ltd. | NIL | -Jotindra Steel & Tubes Ltd. -Sri Narayan Rajkumar Merchants Ltd. -Quality Synthetic Industries Ltd. -Bihariji Ispat Udyog Ltd. |
| Chairman/ Member of the Committee of Board of Directors of public Companies | <u>Quality Synthetic Industries Ltd.</u> -Audit Committee (Member) & | <u>Mauria Udyog Ltd.</u> -CSR Committee- (Chairman) | NIL | <u>Mauria Udyog Ltd.</u> -Audit Committee(Member) - Nomination & Remuneration Committee (Member) - Stakeholders Relationship Committee(Member) <u>Sri Narayan Rajkumar Merchants Ltd.</u> - Audit Committee(Member) - Nomination & Remuneration Committee (Member) - Stakeholders Relationship Committee(Member) <u>BiharijiIspatUdyogLtd.</u> - Audit Committee(Member) - Nomination & Remuneration Committee (Member) - Stakeholders Relationship Committee(Member) <u>Quality Synthetic Industries Ltd.</u> - Nomination & Remuneration Committee (Member) - Stakeholders Relationship Committee(Member) |
| Shareholding in the Company | 5,23,626 Equity shares of Rs. 10/ each(As on 31.03.2018) | 9,08,293 Equity shares of Rs. 10/ each (as on 31.03.2018) | NIL | NIL |



JOTINDRA STEEL & TUBES LIMITED

Regd. Office & Works: 14/3, Mathura Road, Faridabad- 121 003 (Haryana) India

Phone: +95-129-2477800, 2477806, CIN: L27104HR1970PLC005240

E-mail: jotindra@jotindra.com; Web-site: www.jstltd.com

DIRECTORS' REPORT

Your Directors submit the 48th Annual Report along with the Audited Statement of accounts of your Company for the Financial Year ended 31st March, 2018.

WORKING RESULTS

The Financial Results for the year ended 31st March, 2018 are as under:-

| PARTICULARS | Rs. in Lacs | |
|---|-----------------|-----------------|
| | 2017-18 | 2016-17 |
| Revenue From Operations | 31528.30 | 25087.79 |
| Other Income | 1057.91 | 1801.18 |
| Total Income | 32586.21 | 26888.98 |
| Cost of materials consumed | 12397.02 | 11814.05 |
| Purchases of Stock-in-Trade | 17951.12 | 9679.50 |
| Changes in inventories of finished goods, raw material and Work-in-progress | (547.16) | 1255.49 |
| Employee benefits expense | 186.57 | 227.70 |
| Finance Cost | 1079 | 1240.71 |
| Depreciation and amortization expense | 282.34 | 270.53 |
| Other expenses | 1002.96 | 1938.43 |
| Total Expenses | 32351.83 | 26426.42 |
| Profit/(loss) before exceptional items and tax | 234.37 | 462.57 |
| Exceptional Items | - | - |
| Profit/(loss) before tax | 234.37 | 462.57 |
| Tax Expenses | | |
| (1) Current tax | 34.00 | 96.00 |
| (2) MAT Credit utilized | 0.58 | 48.71 |
| (3) Deferred tax | 202.49 | 8.53 |
| Profit/(loss) for the period | | |
| Other Comprehensive Income | | |
| (i) Items that will not be reclassified to profit or loss, Re-measurement gain/(losses) | 1.16 | 1.52 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | (0.35) | (0.46) |
| Other Comprehensive Income for the year | 0.81 | 1.07 |
| Total Comprehensive Income for the period | 403.09 | 310.39 |
| Earnings Per Share (Basic / Diluted) (₹) | 8.27 | 6.37 |

DIVIDEND

In order to conserve the resources of the company, the Board of Directors have not recommended payment of dividend to the equity shareholders of the company for the financial year 2017-18 closed on 31st March, 2018.

The Company has adopted Indian Accounting Standards (IND AS) prescribed under the Companies Act, 2013 read with relevant rules thereunder, with effect from April 1, 2017 and accordingly financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendments) Rules, 2016.

SHARE CAPITAL

The paid up equity share capital as on 31st March 2018 was 487.46 Lacs. There was no public issue, rights issue, bonus issue or preferential issue, etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares, nor has it granted any stock options.

FIXED DEPOSITS

The company has not accepted any deposits from public during the financial year under report and as such there were no fixed deposits outstanding as on 31st March, 2018.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As on March 31, 2018, there were no outstanding loans or guarantees covered under the provisions of Section 186 of the Act. The details of the Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

A report on contracts and arrangements made during the year 2017-18, transactions being in the ordinary course of business and at arm's length have been reported and annexed hereto in this report in the prescribed Form AOC-2 read with note no. 13 of the Financial Statements.

The terms & conditions of the above mentioned transactions are not prejudicial to the interest of the Company and there is no transaction of material nature. The closing balances of such related parties, wherever outstanding, are not overdue.

NUMBER OF MEETINGS OF THE BOARD

Thirteen Board Meetings were held during the financial year ended on 31st March, 2018 and the gap between two Board Meetings did not exceed one hundred & twenty days. The necessary quorum was present for all the meetings. During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole. There has been no change amongst the directors and key managerial personnel during the period under report.

BOARD EVALUATION

The Board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Companies Act, 2013 ("the Act") and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Regulation 17(10) of Listing Obligations & Disclosure Requirements, Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board reviewed the performance of the individual directors on the basis of the

criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry. The details of various familiarization programme provided to the Directors of the Company is available on the Company's website www.jstltd.com.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

In terms of requirements under Schedule IV of the Companies Act 2013 and the Listing Regulations, 2015, a separate meeting of the Independent Directors was held on 13/02/2018.

The Independent Directors at the meeting reviewed the following:-

- Performance of non independent Directors and board as a whole.
- Performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors.
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

LISTING ON STOCK EXCHANGE

Your Directors take an immense pleasure in informing you that with effect from July 16, 2015, the Equity shares of your company (bearing ISIN: INE173F01016) got listed and admitted to dealings on the Capital Market Segment of Metropolitan Stock Exchange of India Ltd. (Formerly known as MCX Stock Exchange Limited).

CORPORATE GOVERNANCE

A detailed Report on Corporate Governance is given in "Annexure-A" to this report. In terms of Part E of Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 (Listing Regulations, 2015), the Compliance Certificate from the Practicing Company Secretary certifying compliance with conditions of Corporate Governance, as stipulated in Regulation 16 to 27 of Listing Regulations, 2015 with the Stock Exchange(s) where the shares of the company are listed, is also enclosed.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of

- affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - iv. they have prepared the annual accounts on a going concern basis;
 - v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
 - vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROL SYSTEM

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant Board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

PERFORMANCE OF THE COMPANY

There has been significant increase in Sales Turnover during Current year in comparison to F.y 2016-17. The Sales has increased by 26% at Rs 315.28 Crores as against Rs 250.87 Crores. With the revival in housing activities in the country, the demand for Steel products like TMT and other Steel items is expected to contribute to the increase in sale during the ensuing years.

MANAGEMENT DISCUSSION AND ANALYSIS

As outlook of India economy is expected to increase by 7.3 % to 7.5 % and production of steel products is also expected to increase by 8% to 10% in F.Y 2018-19, the company expects increase in sales by 25% during F.Y 2018-19 in comparison to FY 2017-18.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your directors have established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism. The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the codes of conduct or ethic policy. This mechanism also provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

We affirm that no personnel has been denied access to the audit committee.

During the year 2017-2018, no such report were made to the Chairman of Audit Committee

DIRECTORS & KEY MANAGERIAL PERSONNEL/ INDEPENDENT DIRECTORS DECLARATION

Pursuant to the provisions of Section 149(7) of the Act, all Independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Regulations, 2015.

As per the provisions of Companies Act, 2013 Shri Vishnu Kumar Sureka retires by rotation and being eligible has offered himself for re-appointment.

During the year under report there has been no change in the directors and key managerial personnel.

In line with the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 including the Rules made thereunder ('the Act') and the erstwhile Listing Agreement Jaspreet Arora (DIN:06959857) were appointed at the Annual General Meeting of the Company held on 29th September, 2014, to hold office for five consecutive years for a term up to March 31, 2019. The Board of Directors of the Company and the Nomination and Remuneration Committee have evaluated the performance of the said Independent Directors and on the basis of the said evaluations it is now proposed that Jaspreet Arora Independent Directors of the Company be appointed for a second term of five consecutive years, commencing from April 1, 2019 up to March 31, 2024.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed under the heading Nomination and Remuneration Committee/Policy below.

COMMITTEES OF BOARD OF DIRECTORS.

AUDIT COMMITTEE

The constitution of the Audit Committee is in accordance with the requirements of Section 177 of the Companies Act, 2013

Shri V.K. Sureka, Member of the Committee resigned w.e.f.19.03.2018 and in his place Shri O.P. Bhardwaj (Promoter director) joined the Committee as a Member. Accordingly, wef 19/03/2018 the Audit Committee consisted of following:

1. Shri K. Chowdhury (Non-Executive Independent Director) : Chairman
2. Smt. Jaspreet Kaur (Non-Executive Independent Director) : Member
3. Shri. O.P. Bhardwaj (Executive Promoter) : Member

- (i) The terms of reference of the Audit Committee are as set-out in Section 177 of the Act.
- (ii) The Audit Committee had Seven Meetings during the financial year 2017-18 ended on 31st March, 2018 as per details thereof and the names of Directors who attended the said meetings, are as under:-

Attendance of Directors at the Audit Committee Meetings held during the financial year 2017-18 :-

| Name of Directors | Date of Meetings | | | | | | |
|---------------------|------------------|------------|------------|------------|------------|------------|------------|
| | 07.04.2017 | 29.05.2017 | 12.06.2017 | 05.08.2017 | 14.09.2017 | 14.12.2017 | 13.02.2018 |
| Sh. K.Chowdhury | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Sh. V.K. Sureka* | Yes | No | Yes | Yes | No | No | NA |
| Smt. Jaspreet Arora | No | Yes | No | No | Yes | Yes | Yes |
| Sh. O.P. Bhardwaj** | NA | NA | NA | NA | NA | NA | Yes |

**Resigned as Member w.e.f. 19/03/2018*

*** Appointed as Member wef 19/03/2018*

NOMINATION AND REMUNERATION COMMITTEE.

Duly constituted Nomination And Remuneration Committee comprised of Shri Kubolay Chowdhury, as Chairman and Shri Dhiraj Arora wef 01.01.2018 in place of V.K. Sureka upto 31.12.2017 who resigned thereafter & Smt. Jaspreet Arora as members. As on 31st March, 2018 the Nomination & Remuneration Committee consisted of following :

1. Shri K. Chowdhury (Non-Executive Independent Director) : Chairman
2. Smt. Jaspreet Arora (Non-Executive Independent Director) : Member
3. Shri. Dhiraj Arora (Non-Executive Independent Director): Member

The said committee has been entrusted with the responsibility of formulating and recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board, devising a policy on Board diversity and identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and removal.

- Selection Criteria for Directors

The Company shall consider the following aspects while appointing a person as a Director on the Board of the Company:

Skills and Experience: The candidate shall have appropriate skills and experience in one or more fields of technical operations, finance, law, management, sales, marketing, administration, public administrative services, corporate governance, or any other discipline related to the Company's business.

Age Limit: The candidate should have completed the age of twenty-one (21) years and should not have attained the age of seventy (70) years.

Conflict of Interest: The candidate should not hold Directorship in any competitor company, and should not have any conflict of interest with the Company.

Directorship: The number of companies in which the candidate holds Directorship should not exceed the number prescribed under the Act or under the Listing Agreement requirements.

Independence: The candidate proposed to be appointed as Independent Director, should not have any direct or indirect material pecuniary relationship with the Company and must satisfy the requirements imposed under the Act or under the Listing Agreement requirements

Selection Criteria for Senior Management

As per policy, Senior Management for the purpose of this policy shall mean employees hired at the level of Divisional Heads and Corporate Functional Heads or equivalent positions. The policy provides that the candidate should have appropriate qualifications, skills and experience for discharging the role. The qualifications, skills and experience of each such position shall be defined in the job description, which will be maintained by the HR function.

Remuneration for Directors, KMP and other Employees

The policy provides that the remuneration of Directors, KMP and other employees shall be based on the following key principles:

- **Pay for performance:** Remuneration of Executive Directors, KMP and other employees is dependent on short and long-term performance objectives appropriate to the working of the Company and its goal. The remuneration of Non-Executive Directors shall be decided by the Board based on the profits of the Company and industry benchmarks.
- **Balanced rewards to create sustainable value:** The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors and employees of the Company and encourage behavior that is aligned to sustainable value creation.
- **Competitive compensation:** Total target compensation and benefits are comparable to peer companies in the manufacturing industry and commensurate to the qualifications and experience of the concerned individual.
- **Business Ethics:** Strong governance processes and stringent risk management policies are adhered to, in order to safeguard our stakeholders' interest.

Performance Evaluation

The process approved by the Nomination and Remuneration Committee requires the Chairman to initiate the performance evaluation process in the months of January-March every year. The performance evaluation is conducted based on approved criteria in the evaluation forms. The process highlights are as under:

- Board:** Each Board member completes the self-evaluation form. Independent Directors discuss the self-evaluation forms in a separate meeting and share their feedback with the Chairman. The Chairman discusses the evaluation form analysis with the Managing Director and later with the entire Board at the Board Meeting
- Committees:** Each Committee member completes the self-evaluation form and shares feedback with the Chairman. The Chairman discusses the evaluation form analysis with the Managing Director and later with the entire Board at the Board Meeting.
- Chairman and Executive Directors:** Each Board member completes the peer evaluation form. Independent Directors discuss the peer evaluation forms in a separate meeting and share their feedback with the Chairman. The Chairman conveys feedback individually to the concerned Directors.
- Independent Directors:** Each Board member completes the peer evaluation and shares feedback with the Chairman. The Chairman conveys feedback individually to the concerned Directors.

Remuneration to Directors

No remuneration other than sitting fees of Rs. 500/- for attending Board Meeting is paid to each of non-executive directors. There is no pecuniary relationship and transactions with Non-Executive Directors.

As regards payment to executive director Shri A.K. Sureka as Managing Director for the financial year 2017-18 ended on 31st March, 2018 was concerned, the same was made to him @ Rs.1,19,000/- p.m. as salary for the months April to June and thereafter @ 1,26,000 p.m. for the months of July to March during the financial year 2017-18 closed on 31st March, 2018.

As regards payment to executive director Shri O.P. Bhardwaj, designated as Director (Commercial) was concerned, the same was made to him @ Rs.85,000/- per month as salary inclusive of allowances for the months of April to June and thereafter @ Rs. 90,000/- per month as salary inclusive of allowances for the months of July to March during the financial year 2017-18 closed on 31st March, 2018.

(i) Sitting fees paid to Directors for meetings of the Board:-

Details of remuneration paid/payable to the Non-executive directors during the financial year 2017-18 ended on 31st March, 2018 are as under:-

(i) Sitting fees paid to the Non-executive Directors for attending meetings of the Board :-

| | Rs. |
|--------------------|-----------|
| Shri V.K. Sureka | 1500.00 |
| Shri K. Chowdhury | 4500.00 |
| Smt. Jaspreet Kaur | 4000.00 |
| Shri Dhiraj Arora | 2000.00 |
| | ----- |
| Total : | 12,000.00 |
| | ----- |

(ii) Remuneration paid to Managing Director :-

| | |
|--------------------------------------|------------------------|
| (a) Fixed salary | Rs. 14,91,000/- |
| (b) P.F. Contribution by the Company | Rs. 1,78,920/- |
| | ----- |
| Total : | Rs. 16,69,920/- |
| | ----- |

(iii) Remuneration paid to Director (Commercial) :-

| | |
|--------------------------------------|------------------------|
| (a) Fixed Salary | Rs 6,39,000/- |
| (b) Allowances | Rs 4,26,000/- |
| (c) P.F. Contribution by the Company | Rs. 76,000/- |
| | ----- |
| Total | Rs. 11,41,680/- |
| | ----- |

- **Service contracts**, notice period, severance fees.- N.A.
- **Number of shares and convertible instruments** held by non-executive directors. - Nil

During the year 2017-2018, Nomination and Remuneration Committee met once and recommended reappointment of Smt. Jaspreet Arora, an Independent director for another term of five years subject to the approval of shareholders in their ensuing annual general meeting and provided status updates to the Board of directors of the company.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Your directors have already re-constituted during 2014-15 the then existing Shareholders' Grievance Committee by broadening the scope to include all security holders and their grievance- redressal as part of the new mandatory Committee to be called Stakeholders' Relationship Committee as required under the provisions of the Act.

Duly constituted Stakeholders' Relationship Committee comprised of Shri Kubolay Chowdhury, as Chairman and Shri Dhiraj Arora wef 01.01.2018 in place of V.K. Sureka upto 31.12.2017 who resigned

thereafter & Smt. Jaspreet Arora as members. As on 31st March, 2018 the Nomination & Remuneration Committee consisted of following :

1. Shri K. Chowdhury (Non-Executive Independent Director) : Chairman
2. Smt. Jaspreet Arora (Non-Executive Independent Director) : Member
3. Shri. Dhiraj Arora (Non-Executive Independent Director): Member

During the year 2017-2018, Stakeholders Committee met twice and provided status updates to the Board of directors of the company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your directors have established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism. The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the codes of conduct or ethic policy. This mechanism also provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

During the year 2017-2018, no such report were made to the Chairman of Audit Committee.

PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

During the year 2017-2018, no complaints were received by the Company related to sexual harassment and hence no complaint is pending as on 31.03.2018 for redressal.

MATERIAL CHANGES AND COMMITMENTS

Company continued developing housing project on separate land through partnership firm in which company has 99% profit/loss sharing. The Company has temporarily suspended activities of development of its land at Faridabad and same will be taken up in the near future.

Company has also undertaken trading in special equipments apart from trading and fabrication activities.

SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS

No significant and material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

INTERNAL FINANCIAL CONTROLS

The Company has identified all key internal financial controls, which impacts the financial statements, as part of Standard Operating Procedures (SOPs). The SOPs are designed for all critical processes across all plants, warehouses and offices wherein financial transactions are undertaken. The SOPs cover the standard processes, risks, key controls and each process is identified to a process owner. The financial controls are tested for operating effectiveness through management ongoing monitoring and review process and independently by the Internal Audit. In our view the Internal Financial Controls, effecting the financial statements are adequate and are operating effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly. The audit observations and corrective action taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons. Apart from the above the company has engaged M/s. Sharad Jain & Co., Chartered Accountants (FRN 019054N) New Delhi to conduct Internal Audit during the year 2018-19.

RISK & CONCERNS

At JST, all key functions and divisions are independently responsible to monitor risk associated within their respective areas of operations such as marketing, trading, finance, purchase, legal and other issues like health, safety and environment.

Steel is a globally traded commodity and its price are subject to international market forces of demand and supply and other factors that influence price volatility. Manufacturing of M.S and TMT Bar and Trading in other steel products presently constituting the major proportion of JST's revenue, changes in domestic as well as global prices will have an impact on the company's performance.

Your company has identified the following risks with possible impact on the company and the mitigation plans of the company:

| Key Risk | Impact on the Company | Mitigation Plans |
|-----------------------------------|---|---|
| Commodity Price/availability Risk | Risk of price fluctuation on the basic material like HR Coils, MS Bar, Steel & Tubes etc. | Any volatility in the prices or disruption in availability of these materials can impact the profitability of the Company. However, JST has strong relationships with the raw material suppliers and availability of optimum level of raw material. |
| Interest Rate-risk. | Any increase in interest rate can affect the finance cost. | Dependence on debt is minimum and we have sufficient funds with Banks to settle the entire debt in case need arises. |
| Compliance risk. | Any default can attract heavy penal provisions. | By regularly monitoring and reviewing of changes in the regulatory framework and timely compliance thereof. |

AUDITORS

Pursuant to the provisions of section 139 of the Companies Act, 2013, the members at the 37th Annual General Meeting of the Company held on 07th September 2017 appointed M/s. HUMS & Associates, Chartered Accountants Delhi with firm registration no. 022230N as the Statutory Auditors of the Company from the conclusion of 47th Annual General Meeting till the conclusion of 52nd Annual General Meeting, covering one term of five consecutive years on a remuneration as may be mutually agreed upon between Shri A.K. Sureka Managing Director and the aforesaid Auditors, subject to ratification by the members at each intervening Annual General Meeting. In view of the amendment to the said section 139 through the Companies (Amendment) Act, 2017 notified on 7 May 2018, ratification of auditors' appointment is no longer required.

The statutory audit report for the year 2017-18 does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditor.

COST AUDITORS

The Company has appointed M/s Nisha Vats & Co., Cost Accountants, for conducting the audit of cost records of the Company for the financial year 2018-19.

Pursuant to Section 148 of the Act read with Rule 14 of the Companies (Audit & Auditors) Rule, 2014 ratification of the remuneration of Cost Auditors is being sought from the Members of the Company at the ensuing AGM.

SECRETARIAL AUDIT

The Board of Directors of the Company, in compliance with section 204 of the Act have appointed Ms. Jyoti Arya, Practicing Company Secretary (M. No.-A48050/ COP-17651) of M/s. Jyoti Arya & Associates, Company Secretaries, as the Secretarial Auditors to conduct secretarial audit of the Company for the FY 2017-18. The Secretarial Audit Report as per Section 204 of the Act for FY 2017-18 is placed as annexure to this report.

No adverse comments have been made in the said report by the Practicing Company Secretary.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO.

Information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies(Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo :

A. CONSERVATION OF ENERGY

Measures taken, additional investments and impact on reduction of energy consumption
Disclosure of particulars with respect to Conservation of Energy. Nil

B. TECHNOLOGY ABSORPTION

Disclosure of particulars with respect to Technology Absorption NA

(i) Efforts in brief made towards technology absorption, adaptation and innovation &(ii) Benefits derived as a result of the above efforts & (iii) Technology Imported during the last three years.

Following steps have been taken for enhancing productivity and quality improvements, resulting in enhanced safety and environmental protection measures and conservation of energy:- NA

1. Expenditure on R&D: -NA-

(A) FOREIGN EXCHANGE EARNINGS AND OUT GO

Amount receivable and payable as at March 31, 2018 in foreign currency on account of the following:

| Particulars | 2017-18 | | 2016-17 | |
|-------------------------|---------|--------|---------------|------------|
| | Value | | Value | |
| Receivable | Rs. | US \$. | Rs. | US \$. |
| Sale of Goods | Nil | Nil | 37903,751.00 | 584,483.43 |
| Payable | - | - | - | - |
| Advance against Exports | Nil | Nil | 26,596,784.00 | 410,127.74 |

ADDITIONAL INFORMATION

2017-18

2016-17

| | | |
|---|-----|-----------|
| 1. C.I.F Value of Imports | | |
| Raw Material & Trading Goods | Nil | 1,874,088 |
| Capital Goods | Nil | Nil |
| 2. F.O.B Value of Exports | Nil | Nil |
| 3. Expenditure in Foreign Currency-Travelling | Nil | 1,021,959 |

The Personnel & Industrial Relations during the year under review remained cordial.

PARTICULARS OF EMPLOYEES

The Disclosure as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is enclosed herewith as an Annexure.

As there has been no employee during the year under review who were paid remuneration of Rs. 60.00 Lakh per annum or more, if employed through out the year or Rs. 5.00 Lakh per month and more, if employed for the part of the year, and also there has been no employee in receipt of remuneration during the year, at a rate which in aggregate is in excess of that drawn by the Managing director or Whole-time director and therefore the information as required under Section 5 (2) & (3) of the aforesaid Rule is not called for.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or

commission from any of its subsidiaries.

- d) During the year under review, neither any fraud of any kind on or by the Company has been noticed by the Board of Directors of the Company nor reported by the Auditors of the Company. The Company has an internal financial control system, commensurate to the size of the business, in place.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere thanks to banks and the customers for their support and co-operation. The Industrial relations remained cordial and the directors convey their thanks to the company's employees at all levels for their whole hearted support.

By Order of the Board
Jotindra Steel & Tubes Ltd.

05th September, 2018
Faridabad

sd/-
A.K. Sureka
Managing Director
(DIN:00060206)

sd/-
O.P. Bhardwaj
Director
(DIN: 00060405)



JOTINDRA STEEL & TUBES LIMITED

Regd. Office & Works: 14/3, Mathura Road, Faridabad- 121 003 (Haryana) India

Phone: +95-129-2477800, 2477806, CIN: L27104HR1970PLC005240

E-mail: jotindra@jotindra.com; Web-site: www.jstltd.com

REPORT ON CORPORATE GOVERNANCE AS ON 31-03-2018

1. The Company's Philosophy on Corporate Governance

The Board of Directors and Management believe in adopting and practicing principles of good Corporate Governance with a view to :-

- Safeguard shareholders' interest through sound business decisions, prudent financial management and high standard of business ethics: and
- Achieve transparency, accountability and integrity in the dealings and transactions of the Company

The Company is in compliance with the provisions of Corporate Governance specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations, 2015)

The Company is committed to meet the expectations of stakeholders as a responsible corporate citizen. The Company's Code of Conduct contains the fundamental principles and rules concerning ethical business conduct.

2. Board of Directors

(i) Composition:-

The Board of Directors comprised of Six Directors as under:-

| Promoter Group | | |
|-----------------------|---|---------------|
| Name of Director | Brief Particulars | Category |
| 1. Shri V.K. Sureka | He is a graduate and an Industrialist having 45 years' experience in the Steel Industry. He joined the Board as promoter director w.e.f. 22 nd August, 1987. | Non-Executive |
| 2. Shri O.P. Bhardwaj | He is B.Com (Honours) and having 37 years' experience of working in the Pipe Industry. He joined the Board as Director (Commercial) w.e.f. 1 st December, 2003 | Executive |
| 3. Shri A. K. Sureka | He is in Business having 20 years working experience in Steel Industry and joined the Board as promoter director w.e.f. 1 st August, 2005. | Executive |

| Independent | | |
|---------------------------|---|---------------|
| 4. Shri Kubolay Chowdhury | He is Mechanical Engineer having 35 years working experience and presently running his own stainless steel pipe manufacturing unit. He joined the Board as an independent director w.e.f. 21 st March, 2007. | Non-executive |

| | | |
|------------------------|---|---------------|
| 5. Shri Dheeraj Arora | He is in business having 20 years working experience in construction & real estate industry. He joined the Board as an independent director w.e.f. 10 th January,2017. | Non-executive |
| 6. Smt. Jaspreet Arora | She is in service having more than 12 years experience in education sector . She joined the Board as an Independent Director w.e.f. 27 th August, 2014. | Non-executive |

2 (ii) Board Meetings and attendance

Thirteen Board Meetings were held during the financial year ended on 31st March, 2018 and the gap between two Board Meetings did not exceed one hundred & twenty days. The necessary quorum was present for all the meetings. During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole.

| Sr.No. | Date of Meeting | Board strength | No. of Directors Present |
|--------|-----------------|----------------|--------------------------|
| 1. | 07.04.2017 | 6 | 3 |
| 2. | 03.05.2017 | 6 | 3 |
| 3. | 29.05.2017 | 6 | 5 |
| 4. | 12.06.2017 | 6 | 4 |
| 5. | 05.08.2017 | 6 | 3 |
| 6. | 31.08.2017 | 6 | 5 |
| 7. | 14.09.2017 | 6 | 4 |
| 8. | 25.10.2017 | 6 | 3 |
| 9. | 22.11.2017 | 6 | 2 |
| 10. | 14.12.2017 | 6 | 4 |
| 11. | 05.02.2018 | 6 | 3 |
| 12. | 13.02.2018 | 6 | 5 |
| 13. | 19.03.2018 | 6 | 4 |

(iii) Attendance of each Director at the Board meetings and last Annual General Meeting (AGM) and the number of Companies and committees where he is Director/Member:

| Name of Director | Category of Directorship | Number of Board Meetings Attended | Attendance at the Last AGM held on 29.09.18 | Number of Directorships in other public Ltd. Companies | Number of committee positions held in other Companies |
|------------------------|--------------------------|-----------------------------------|---|--|---|
| Shri V. K. Sureka | Non-Executive | 03 | No | 2 | - |
| Shri A. K. Sureka | Executive | 12 | Yes | 1 | 1 |
| Shri O.P. Bhardwaj | Executive | 12 | Yes | - | - |
| Shri Kubolay Chowdhury | Non-Executive | 09 | No | - | - |
| Shri Dheeraj Arora | Non-Executive | 04 | No | 1 | 2 |
| Smt. Jaspreet Arora | Non-Executive | 04 | No | 4 | 7 |

3. Audit Committee

The constitution of the Audit Committee is in accordance with the requirements of Section 177 of the Companies Act, 2013

Shri V.K. Sureka, Member of the Committee resigned w.e.f.19.03.2018 and in his place Shri O.P. Bhardwaj (Promoter director) joined the Committee as a Member. Accordingly, wef 19/03/2018 the Audit Committee consisted of following:

1. Shri K. Chowdhury (Non-Executive Independent Director) : Chairman
2. Smt. Jaspreet Arora (Non-Executive Independent Director) : Member
3. Shri. O.P. Bhardwaj (Executive Promoter) : Member

- (i) The terms of reference of the Audit Committee are as set-out in Section 177 of the Act.
- (ii) The Audit Committee had Seven Meetings during the financial year 2017-18 ended on 31st March, 2018 as per details thereof and the names of Directors who attended the said meetings, are as under:-

Attendance of Directors at the Audit Committee Meetings held during the financial year 2017-18 :-

| Name of Directors | Date of Meetings | | | | | | |
|---------------------|------------------|------------|------------|------------|------------|------------|------------|
| | 07.04.2017 | 29.05.2017 | 12.06.2017 | 05.08.2017 | 14.09.2017 | 14.12.2017 | 13.02.2018 |
| Sh. K.Chowdhury | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Sh. V.K. Sureka* | Yes | No | Yes | Yes | No | No | NA |
| Smt. Jaspreet Arora | No | Yes | No | No | Yes | Yes | Yes |
| Sh. O.P. Bhardwaj** | NA | NA | NA | NA | NA | NA | Yes |

4. Nomination and Remuneration Committee

Duly constituted Nomination And Remuneration Committee comprised of Shri Kubolay Chowdhury, as Chairman and Shri Dheeraj Arora wef 01.01.2018 in place of V.K. Sureka upto 31.12.2017 who resigned thereafter & Smt. Jaspreet Arora as members. As on 31st March, 2018 the Nomination & Remuneration Committee consisted of following :

1. Shri K. Chowdhury (Non-Executive Independent Director) : Chairman
2. Smt. Jaspreet Arora (Non-Executive Independent Director) : Member
3. Shri. Dheeraj Arora (Non-Executive Independent Director): Member

The said committee has been entrusted with the responsibility of formulating and recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board, devising a policy on Board diversity and identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board their appointment and removal.

During the period under review Nomination & Remuneration Committee was not required to meet.

Details relating to Nomination & Remuneration Policy has been enumerated under Directors Report 2018.

5. Code of Conduct for the Directors & Senior Managerial Personnel

In compliance to the provisions of Regulation 17 (5) of the Listing Regulations, the Board has laid down a code of Conduct for all the Board Members and Senior Managerial Personnel and all Board Members and Senior Managerial Personnel have affirmed compliance of code of conduct as on 31st March, 2018 and a declaration to that effect duly signed by the Managing Director is attached and forms part of this report.

6. Stakeholders' Relationship Committee

Your directors have re-constituted the existing Investors/ Shareholders' Grievance Committee by broadening the scope to include all security holders and their grievance- redressal as part of the new mandatory Committee to be called Stakeholders' Relationship Committee comprising of Duly constituted Stakeholders' Relationship Committee comprised of Shri Kubolay Chowdhury, as Chairman and Shri Dheeraj Arora wef 01.01.2018 in place of V.K. Sureka upto 31.12.2017 who resigned thereafter & Smt. Jaspreet Arora as members. As on 31st March, 2018 the Nomination & Remuneration Committee consisted of following :

1. Shri K. Chowdhury (Non-Executive Independent Director) : Chairman
2. Smt. Jaspreet Arora (Non-Executive Independent Director) : Member
3. Shri. Dheeraj Arora (Non-Executive Independent Director): Member

The Stakeholders' Relationship Committee shall consider and resolve the grievances of security holders of the company.

Smt. Shweta Garg, Company Secretary has been nominated as the Compliance Officer.

During the year 2017-2018, Stakeholders Committee met twice and provided status updates to the Board of directors of the company.

Number of pending transfers Nil

Number of Shareholders' Complaints received Nil

Number of Complaints Not solved. Nil

7. General Body Meetings

(a) Details of location and time of holding of last three AGMs

| AGM for the financial Year ended | Venue | Date | Time |
|------------------------------------|----------------------------------|------------|-----------|
| 2014- 2015 45 th AGM | 14/3, Mathura Road, Faridabad | 29.09.2015 | 3.30 P.M. |
| 2015- 2016 46 rd AGM | 14/3, Mathura Road, Faridabad | 29.09.2016 | 3.30 P.M. |
| 2016- 2017 47 th AGM | 14/3, Mathura Road, Faridabad | 07.09.2017 | 3.30 P.M. |

There were two items relating to amendment in the Object Clause of the Memorandum of Association of the Company through Special Resolutions on the agenda of the 45th AGM that needed approval by postal ballot/e-voting which were passed with requisite majority. E-voting facility form CDSL was provided to the shareholder at the AGM in compliance to provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with MSEI.

There was one item relating to Giving loans or extending guarantee or providing security in excess of the limit under Section 186 (3) of the companies Act,2013 on the agenda of the 46th AGM that needed approval by postal ballot/e-voting which were passed with requisite majority.

At the ensuing Annual General Meeting, there is one Special Resolution relating to section 180(1)(a) proposed to be conducted through Postal Ballot for which company has provided e-voting facility from CDSL .

8. Details of Prospectus & letter of offer

No Prospectus & letter of offer for issuances and related filings were made during the year under report to the stock exchange where it is listed.

9. Details of Directors seeking Appointment/Reappointment in the ensuing Annual General Meeting to be held on 29th September, 2018.

Pursuant to regulation 36 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute Of Company Secretaries of India (ICSI) information about the director proposed to be re- appointed/ appointed by member in the ensuing AGM have been furnished in the Notice calling the ensuing AGM.

10. Disclosure

(a) Materially Significant related party transactions

- i Transactions with related parties have been disclosed in Notes of the Annual Accounts for the year 2017-18.
- ii The terms & conditions of the above mentioned transactions are not prejudicial to the interest of the Company and there is no transaction of material nature. The closing balances of such related parties, wherever outstanding, are not overdue.

(b) 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.

There was no instance of penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority as well as non-compliance of any matter related to the capital markets during the last three years.

11. Means of Communication

The quarterly and yearly results are published in English in widely circulating “Money Makers” and in Hindi in “Dainik Maha Laxmi” from Delhi & Haryana.

12. General Shareholder information

| | |
|---|--|
| Company Registration Details | The Company is registered in the State of Haryana, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is - CIN: L27104HR1970PLC005240 |
| AGM : Date, time and venue | 48 th AGM to be held on Saturday, the 29 th September, 2015 at 3.30 P.M. at 14/3, Mathura Road, Faridabad-121003 (Haryana) |
| Financial Calendar (Tentative) | |
| Results for quarter ending June 30, 2018 declared on | 14 th August, 2018 |
| Results for quarter ending September 30, 2018 | 14 th November, 2018 |
| Results for quarter ending December 31, 2018 | 14 th February, 2018 |
| Results for quarter ending March 31, 2019 | 29 th May, 2019 |
| <ul style="list-style-type: none">Date of Book closure | Saturday, the 22 nd September, 2018 to Saturday, the 29 th September, 2018 (both days inclusive) |
| <ul style="list-style-type: none">Stock Code – (SYMBOL) | JOTINDRA on Metropolitan Stock Exchange Ltd. |
| <ul style="list-style-type: none">Listing On Stock Exchanges | Equity |
| | -Metropolitan Stock Exchange of India (Formerly known as MCX Stock Exchange Ltd. 4 th Floor Vibgyor Towers, Plot No. C-62, Opp. Trident Hotel, Bandra Kurla Complex Mumbai-400098. |
| Demat ISIN Number for NSDL and CDSL. | INE 173F01016 |
| <ul style="list-style-type: none">High/low of market price of the Company’s shares traded on the Stock Exchange during the financial year ended 31st March, 2015. | The shares have not been traded during the financial year 2017-18. The last quoted price was of Rs.2/- per share as per transactions on Delhi Stock Exchange on 22 nd May, 1998 |
| Registrar & Transfer Agents | M/s.Beetal Financial & Computer Services (P) Ltd.,BEETAL HOUSE, 99, Madangir, Behind Local Shopping Centre,Near Dada Harsukh Dass Mandir, New Delhi-110062 Phone No. 29961281 (6 Lines) |

Fax No. 29961284

- Share Transfer System

All the transfers received are processed by the Registrar and Share Transfer Agent. Share Transfers are registered and returned within a maximum of 15 days from the date of lodgment if documents are complete in all respect. In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

- Share holding pattern as on 31-03-2018

| Category | Nos. of Shares | Percentage |
|---|------------------|---------------|
| Promoters | 23,45,179 | 48.13 |
| Persons acting in concert | - | - |
| Mutual Funds and UTI | - | - |
| Banks, Financial Institution & Insurance Companies. | 950 | 0.03 |
| FII's | - | - |
| Corporate Bodies | 2,632 | 0.05 |
| Indian Public | 25,23,988 | 51.79 |
| NRIs/ OBCs | - | - |
| Total | 48,72,749 | 100.00 |

- Distribution of shareholding as on 31st March, 2018.

| No. of Shares From To | Folios | | No. of Shares | Amount | |
|--------------------------|---------------|-------------------|------------------|--------------------|-------------------|
| | Number (2) | % to Total (3) | | Rs. (4) | % to Total (5) |
| 1 - 500 | 2367 | 95.52 | 2,30,235 | 23,02,350 | 4.73 |
| 501 - 1000 | 48 | 1.93 | 36,665 | 3,66,650 | 0.75 |
| 1001 - 2000 | 12 | 0.48 | 16,452 | 1,64,520 | 0.34 |
| 2001 - 3000 | 5 | 0.20 | 11,337 | 1,13,370 | 0.23 |
| 3001 - 4000 | 1 | 0.04 | 3,820 | 38,200 | 0.08 |
| 4001 - 5000 | 2 | 0.08 | 8,751 | 87,510 | 0.18 |
| 5001 - 10000 | 3 | 0.12 | 22,500 | 2,25,000 | 0.46 |
| 10001 and above | 40 | 1.61 | 45,42,989 | 4,54,29,890 | 93.23 |
| Total | 2478 | 100.00 | 48,72,749 | 4,87,27,490 | 100.00 |

15. Declaration of Managing Director

The Code of Conduct for the Directors and the Senior Managerial Personnel was adopted by the Board of Directors. All the Board Members and Senior Managerial Personnel have affirmed that they have complied with the code of conduct during the financial year ended on 31st March, 2018.

Faridabad
Dated :05th September, 2018

Sd/-
A .K. Sureka
Managing Director
DIN No.- 00060206

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

Jotindra Steel And Tubes Ltd.

We have examined all the relevant records of **Jotindra Steel And Tubes Limited** (“the Company”) for the purpose of certifying compliance of the conditions of the Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended, for the period from April 01, 2017 to March 31, 2018. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate 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 and information furnished to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the said Listing Regulations.

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



CERTIFICATE ON CORPORATE GOVERNANCE

To
THE MEMBERS OF
M/S JOTINDRA STEEL AND TUBES LIMITED

We have examined all the relevant records of M/S JOTINDRA STEEL AND TUBES LIMITED, CIN: L27104HR1970PLC005240 (“the Company”) for the purpose of certifying compliance of the conditions of the Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended, for the period from **April 01, 2017 to March 31, 2018**. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate 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 and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Regulations.

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

FOR JYOTI ARYA & ASSOCIATES
(Practicing Company Secretaries)

Sd/-

JYOTI ARYA
(Proprietor)
Membership No.-A48050
C.P. No.-17651
Date: 01/08/2018
Place: New Delhi

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

To,
The Members,
M/S Jotindra Steel & Tubes Limited
14/3, Mathura Road,
Faridabad-121 004
(Haryana)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Jotindra Steel & Tubes Limited (CIN: L27104HR1970PLC005240) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the company M/s Jotindra Steel & Tubes Limited'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period);
- (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).
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) (Mention the other laws as may be applicable specifically to the company):

1. The Factories Act, 1948;
2. Industrial Disputes Act, 1947;
3. The Payment of Wages Act, 1936;
4. The Minimum Wages Act, 1948;
5. Employees' State Insurance Act, 1948;
6. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
7. Equal Remuneration Act, 1976;
8. The Contract Labour (Regulation and Abolition) Act, 1970;
9. The Maternity Benefit Act, 1961;
10. The Payment of Bonus Act, 1965;
11. The Environment (Protection) Act, 1986;
12. The Water (Prevention and Control of Pollution) Act, 1974;
13. The Air (Prevention and Control of Pollution) Act, 1981;
14. The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Metropolitan Stock Exchange of India Ltd.,

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

I 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. There were no changes in the composition of the Board of Directors during the period under review.”

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed as *Annexure A* and forms an integral part of this report.

FOR JYOTI ARYA & ASSOCIATES

(Practicing Company Secretaries)

Sd/-

JYOTI ARYA

(Proprietor)

Membership No.-A48050

C.P. No.-17651

Date: 01/08/2018

Place: New Delhi

Annexure A

To,
The Members,
M/S Jotindra Steel & Tubes Limited
14/3, Mathura Road,
Faridabad-121 004
(Haryana)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where-ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

FOR JYOTI ARYA & ASSOCIATES
(Practicing Company Secretaries)

Sd/-

JYOTI ARYA
(Proprietor)
Membership No.-A48050
C.P. No.-17651
Date: 01/08/2018
Place: New Delhi

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

| I. REGISTRATION & OTHER DETAILS: | | |
|----------------------------------|--|--|
| 1 | CIN | L27104HR1970PLC005240 |
| 2 | Registration Date | 16-03-1970 |
| 3 | Name of the Company | JOTINDRA STEEL AND TUBES LIMITED |
| 4 | Category/Sub-category of the Company | Public Limited Company |
| 5 | Address of the Registered office & contact details | 14/3, MATHURA ROAD, FARIDABAD, HARYANA |
| 6 | Whether listed company | Yes |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Mr. Puneet Mittal, General Manager, Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062. |

| 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)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1 | Trading of Steel & Tubes | | 96.75 |

| III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL | | | | | |
|--|--|--|--|--|--|
|--|--|--|--|--|--|

| SN | Name and address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|----|---------------------------------|---------|--------------------------------|------------------|--------------------|
| 1 | | | | | |

| 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 [As on 31-March-2017] | | | | No. of Shares held at the end of the year [As on 31-March-2018] | | | | % Change during the year |
|--------------------------|--|-----------------|------------------|-------------------|--|---------------|------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 14,95,128 | 3,29,218 | 18,24,346 | 37.44% | 17,69,153 | 55,193 | 18,24,346 | 37.46% | 0.00% |
| b) Central Govt | | | - | 0.00% | | | - | 0.00% | 0.00% |
| c) State Govt(s) | | | - | 0.00% | | | - | 0.00% | 0.00% |
| d) Bodies Corp. | 5,20,833 | - | 5,20,833 | 10.69% | 5,20,833 | - | 5,20,833 | 10.69% | 0.00% |
| e) Banks / FI | | | - | 0.00% | | | - | 0.00% | 0.00% |
| f) Any other | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Sub Total (A) (1) | 20,15,961 | 3,29,218 | 23,45,179 | 48.13% | 22,89,986 | 55,193 | 23,45,179 | 48.15% | 0.00% |
| (2) Foreign | | | | | | | | | |
| a) NRI Individuals | | | - | 0.00% | | | - | 0.00% | 0.00% |
| b) Other Individuals | | | - | 0.00% | | | - | 0.00% | 0.00% |
| c) Bodies Corp. | | | - | 0.00% | | | - | 0.00% | 0.00% |
| d) Any other | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Sub Total (A) (2) | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |

| B. Public Shareholding | | | | | | | | | |
|--|-----------|----------|-----------|---------|-----------|----------|-----------|---------|----------|
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | | | - | 0.00% | | | - | 0.00% | 0.00% |
| b) Banks / FI | - | 950 | 950 | 0.02% | | 950 | 950 | 0.02% | 0.00% |
| c) Central Govt | | | - | 0.00% | | | - | 0.00% | 0.00% |
| d) State Govt(s) | | | - | 0.00% | | | - | 0.00% | 0.00% |
| e) Venture Capital Funds | | | - | 0.00% | | | - | 0.00% | 0.00% |
| f) Insurance Companies | | | - | 0.00% | | | - | 0.00% | 0.00% |
| g) FIs | | | - | 0.00% | | | - | 0.00% | 0.00% |
| h) Foreign Venture Capital Funds | | | - | 0.00% | | | - | 0.00% | 0.00% |
| i) Others (specify) | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Sub-total (B)(1):- | - | 950 | 950 | 0.02% | - | 950 | 950 | 0.02% | 0.00% |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 1,582 | 810 | 2,392 | 0.05% | | 0 | - | 0.00% | -100.00% |
| ii) Overseas | | | - | 0.00% | | | - | 0.00% | 0.00% |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 22,304 | 2,95,442 | 3,17,746 | 6.52% | 37,366 | 2,88,172 | 3,25,538 | 6.68% | 2.45% |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 16,21,130 | 2,47,482 | 18,68,612 | 38.35% | 16,08,630 | 2,52,000 | 18,60,630 | 38.21% | -0.43% |
| c) Others (specify) (HUF) | 320 | - | 320 | 0.01% | 320 | - | 320 | 0.01% | 0.00% |
| Non Resident Indians | 3,37,500 | - | 3,37,500 | 6.93% | 337500 | | 3,37,500 | 6.93% | 0.00% |
| Overseas Corporate Bodies | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Foreign Nationals | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Clearing Members | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Trusts | 50 | | 50 | 0.00% | | | - | 0.00% | -100.00% |
| Foreign Bodies - D R | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Sub-total (B)(2):- | 19,82,886 | 5,43,734 | 25,26,620 | 51.85% | 19,83,816 | 5,40,172 | 25,23,988 | 51.83% | -0.10% |
| Total Public (B) | 19,82,886 | 5,44,684 | 25,27,570 | 51.87% | 19,83,816 | 5,41,122 | 25,24,938 | 51.85% | -0.10% |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 39,98,847 | 8,73,902 | 48,72,749 | 100.00% | 42,73,802 | 5,96,315 | 48,70,117 | 100.00% | -0.10% |

(ii) Shareholding of Promoter

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|----|-------------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Akhil Kumar Sureka | 523626 | 10.75% | 0 | 523626 | 10.75% | 0 | 0.00% |
| 2 | Navneet Kumar Sureka | 206368 | 4.24% | 3.09 | 391987 | 8.05% | 1.62 | 89.95% |
| 3 | Parmeshwari Devi Sureka | 290 | 0.01% | 0 | 290 | 0.01% | 0 | 0.00% |

JOTINDRA STEEL AND TUBES LIMITED**CIN: L27104HR1970PLC005240**

| | | | | | | | | |
|---|---|--------|--------|------|--------|--------|------|---------|
| 4 | Prem Lata Sureka | 575469 | 11.81% | 0.03 | 150 | 0.00% | 100 | -99.97% |
| 5 | Vishnu Kumar Sureka | 518593 | 10.64% | 9.39 | 908293 | 18.65% | 5.36 | 75.15% |
| 6 | Bihariji Ispat Udyog Limited | 130208 | 2.67% | 0 | 130208 | 2.67% | 0 | 0.00% |
| 7 | Jst Engineering Services Ltd | 130209 | 2.67% | | 130209 | 2.67% | 0 | 0.00% |
| 8 | Quality Synthetic Industries Limited | 130208 | 2.67% | | 130208 | 2.67% | 0 | 0.00% |
| 9 | Srinarayan Rajkumar Merchants Private Limited | 130208 | 2.67% | 0 | 130208 | 2.67% | 0 | 0.00% |

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

| SN | Particulars | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|--|------------|-------------------|---|-------------------|---|-------------------|
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| | At the beginning of the year | | | 23,45,179 | 48.13% | 23,45,179 | 48.15% |
| | Changes during the year by acquisition from Prem Lata Sureka- dated 22/03/2018 | 22-03-2018 | Inter-Se Transfer | 5,75,319 | 11.81% | 5,75,319 | 11.81% |
| | 389700 shares by Vishnu Kumar Sureka and 185619 shares Navneet Kumar Sureka | | | | | | |
| | At the end of the year | | | 23,45,179 | 48.13% | 23,45,179 | 48.15% |

(iv) Shareholding Pattern of top ten Shareholders

NIL

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| SN | For each of the Top 10 shareholders | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|-------------------------------------|------|--------|---|-------------------|---|-------------------|
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | HEMANT VENKATARAMANI | | | | | | |
| | At the beginning of the year | | | 3,37,500 | 6.93% | 3,37,500 | 6.93% |
| | Changes during the year | | | - | 0.00% | | 0.00% |
| | At the end of the year | | | 3,37,500 | 6.93% | 3,37,500 | 6.93% |
| 2 | SNEHA SANTOSH TIRODKAR | | | | | | |
| | At the beginning of the year | | | 3,37,500 | 6.93% | 3,37,500 | 6.93% |
| | Changes during the year | | | - | 0.00% | | 0.00% |
| | At the end of the year | | | 3,37,500 | 6.93% | 3,37,500 | 6.93% |
| 3 | DEEPA SUBRAMANIAN S | | | | | | |
| | At the beginning of the year | | | 3,37,500 | 6.93% | 3,37,500 | 6.93% |
| | Changes during the year | | | - | 0.00% | | 0.00% |
| | At the end of the year | | | 3,37,500 | 6.93% | 3,37,500 | 6.93% |
| 4 | HARE RAM | | | | | | |
| | At the beginning of the year | | | 95,200 | 1.95% | 95,200 | 1.95% |
| | Changes during the year | | | - | 0.00% | - | 0.00% |
| | At the end of the year | | | 95,200 | 1.95% | 95,200 | 1.95% |
| 5 | ARVIND KUMAR | | | | | | |
| | At the beginning of the year | | | 88,775 | 1.82% | 88,775 | 1.82% |
| | Changes during the year | | | - | 0.00% | - | 0.00% |
| | At the end of the year | | | 88,775 | 1.82% | 88,775 | 1.82% |
| 6 | ANAND BANSAL | | | | | | |
| | At the beginning of the year | | | 59,000 | 1.21% | 59,000 | 1.21% |
| | Changes during the year | | | - | 0.00% | - | 0.00% |
| | At the end of the year | | | 59,000 | 1.21% | 59,000 | 1.21% |
| 7 | RAKESH GOEL | | | | | | |
| | At the beginning of the year | | | 54,900 | 1.13% | 54,900 | 1.13% |
| | Changes during the year | | | - | 0.00% | - | 0.00% |

| | | | | | | | |
|----|------------------------------|--|--|--------|-------|--------|-------|
| | At the end of the year | | | 54,900 | 1.13% | 54,900 | 1.13% |
| 8 | RAJBIR SINGH | | | | | | |
| | At the beginning of the year | | | 52,000 | 1.07% | 52,000 | 1.07% |
| | Changes during the year | | | - | 0.00% | - | 0.00% |
| | At the end of the year | | | 52,000 | 1.07% | 52,000 | 1.07% |
| 9 | PARMANAND | | | | | | |
| | At the beginning of the year | | | 47,025 | 0.97% | 47,025 | 0.97% |
| | Changes during the year | | | - | 0.00% | - | 0.00% |
| | At the end of the year | | | 47,025 | 0.97% | 47,025 | 0.97% |
| 10 | LOKNATH SAH | | | | | | |
| | At the beginning of the year | | | 45,000 | 0.92% | 45,000 | 0.92% |
| | Changes during the year | | | - | 0.00% | - | 0.00% |
| | At the end of the year | | | 45,000 | 0.92% | 45,000 | 0.92% |

(v) Shareholding of Directors and Key Managerial Personnel:

NIL

| SN | Shareholding of each Directors and each Key Managerial Personnel | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|--|------------|-------------------|---|-------------------|---|-------------------|
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | AKHIL KUMAR SUREKA | | | | | | |
| | At the beginning of the year | | | 5,23,626 | 10.75% | 5,23,626 | 10.75% |
| | Changes during the year | | | - | 0.00% | - | 0.00% |
| | At the end of the year | | | 5,23,626 | 10.75% | 5,23,626 | 10.75% |
| 2 | VISHNU KUMAR SUREKA | | | | | | |
| | At the beginning of the year | | | 5,18,593 | 10.64% | 5,18,593 | 10.65% |
| | Changes during the year | 22-03-2018 | Inter-se Transfer | 3,89,700 | 8.00% | 3,89,700 | 8.00% |
| | At the end of the year | | | 9,08,293 | 18.64% | 9,08,293 | 18.65% |

V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|---------------------|----------|---------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 23,56,95,565 | 73,81,34,918 | - | 97,38,30,483 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 23,56,95,565 | 73,81,34,918 | - | 97,38,30,483 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | | | | - |
| * Reduction | 6,84,53,883 | 10,14,68,468 | | 16,99,22,351 |
| Net Change | 6,84,53,883 | 10,14,68,468 | - | 16,99,22,351 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 16,72,41,682 | 63,66,66,450 | - | 80,39,08,132 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 16,72,41,682 | 63,66,66,450 | - | 80,39,08,132 |

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

| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount (Rs/Lac) |
|-----|---|-------------------------|----------------|-------------------|--|--------------------------|
| | | Name | A.K. SUREKA | O.P. BHARADWAJ | | |
| | Designation | MD | WTD | | | |
| 1 | Gross salary | 14,91,000 | 10,65,000 | - | | 25,56,000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 14,91,000 | 6,39,000 | - | | 21,30,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | 4,26,000 | - | | 4,26,000 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - | | - |
| 2 | Stock Option | - | - | - | | - |
| 3 | Sweat Equity | - | - | - | | - |
| 4 | Commission | - | - | - | | - |
| | - as % of profit | - | - | - | | - |
| | - others, specify | - | - | - | | - |
| 5 | Others, please specify | | | | | - |
| | Total (A) | 14,91,000 | 10,65,000 | - | | 25,56,000 |
| | Ceiling as per the Act | | | | | |

B. Remuneration to other Directors

| SN. | Particulars of Remuneration | Name of Directors | | | | | Total Amount (Rs/Lac) |
|-----|--|-------------------|--------------------------|-----------------|-------------------|---|--------------------------------------|
| | | VK SUREKA | KUBOLAY CHOWDHUR Y | DHIRAJ ARORA | JASPREET ARORA | | |
| 1 | Independent Directors | | | | | | |
| | Fee for attending board committee meetings | | 4,500.00 | 2,000.00 | 4,000.00 | | 10,500.00 |
| | Commission | | - | - | - | | - |
| | Others, please specify | | - | - | - | | - |
| | Total (1) | - | 4,500.00 | 2,000.00 | 4,000.00 | - | 10,500.00 |
| 2 | Other Non-Executive Directors | | | | | | - |
| | Fee for attending board committee meetings | 1,500.00 | - | - | - | - | 1,500.00 |
| | Commission | - | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - | - |
| | Total (2) | 1,500.00 | - | - | - | - | 1,500.00 |
| | Total (B)=(1+2) | 1,500.00 | - | - | - | - | 12,000.00 |
| | Total Managerial Remuneration | 1,500.00 | 4,500.00 | 2,000.00 | 4,000.00 | | 12,000.00 |
| | Overall Ceiling as per the Act | | | | | | Maximum Rs. 100000 per meeting |

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

| SN. | Particulars of Remuneration | Name of Key Managerial Personnel | | | Total Amount (Rs/Lac) |
|-----|---|----------------------------------|--------|-------------|--------------------------|
| | | Name | NA | SHWETA GARG | |
| | Designation | CEO | CFO | CS | |
| 1 | Gross salary | | 262446 | 177360 | 4,39,806.00 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, | | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | | - | - | - |
| 2 | Stock Option | | - | - | - |

| | | | | | |
|---|------------------------|---|--------|--------|-------------|
| 3 | Sweat Equity | | - | - | - |
| 4 | Commission | | - | - | - |
| | - as % of profit | | - | - | - |
| | - others, specify | | - | - | - |
| 5 | Others, please specify | | - | - | - |
| | Total | - | 262446 | 177360 | 4,39,806.00 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

FOR JOTINDRA STEEL AND TUBES LIMITED

sd/-

AKHIL KUMAR SUREKA
MANAGING DIRECTOR
DIN:00060206

sd/-

OM PRAKASH BHARDWAJ
WHOLE TIME DIRECTOR
DIN: 00060405

DATE:05/09/2018
PLACE: FARIDABAD

JOTINDRA STEEL AND TUBES LIMITED

Companies (Appointment & Remuneration) Rules, 2014

Annexure-III

| | | | | | | |
|--------|--|--|---|------------|----------|---|
| (i) | The Ratio of the Remuneration of each director to the median remuneration of the employees of the company for the financial year 2017-18 | Director's Name | Ratio to median remuneration | | | |
| | | Mr. Akhil Kumar Sureka, MD | 5.68:1 | | | |
| | | Mr. Om Prakash Bharadwaj, WTD | 4.06:1 | | | |
| (ii) | The Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager if any in the financial year 2017-18 compare to 2016-17 means part of the year | Director's/CFO/CEO/CS/ Manager Name | %age increase in remuneration | | | |
| | | Mr. Akhil Kumar Sureka, MD | 5.97% | | | |
| | | Mr. Om Prakash Bharadwaj, WTD | 5.97% | | | |
| | | Mr. Govindpal Singh, CFO | -8.70% | | | |
| | | Mrs. Shweta Garg, Company Secretary | 0.00% | | | |
| (iii) | Percentage increase in the median remuneration of employees in the financial year 2017-18 compared to 2016-17 | 7.46% | | | | |
| (iv) | Number of permanent employees on the rolls of the company | As on 31.03.2018 | As on 31.03.2017 | | | |
| | | 11 | 10 | | | |
| (v) | Explanation on the relationship between average increase in remuneration and company performance | Normal industry standards applied based on increase in turnover | | | | |
| (vi) | Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company | NOT APPLICABLE | | | | |
| (vii) | Variation in | Details | 31.03.2018 | 31.03.2017 | | |
| | | Market Capitalization | NA | NA | | |
| | | Price Earning Ratio | NA | NA | | |
| | | Percentage Increase/decrease of market quotations | NA | NA | | |
| | | Net Worth of the Company As per IND-AS (Book Value excluding Revaluation surplus)(Rs. Lakh) | 3686.71 | 3283.61 | | |
| (viii) | Average Percentile increase in salaries of Employees other than managerial | During 2017-18 | During 2016-17 | | | |
| | | -11.22% | -19.90% | | | |
| | | Justification for increase with reasons for any exceptional circumstances | Normal industry standards applied based on increase in turnover | | | |
| (ix) | Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company | Name of Key Managerial Personnel | Remuneration for the years ended | | | Reason against performance of the company |
| | | | 31.03.2018 | 31.03.2017 | % change | |
| | | Mr. Om Prakash Bharadwaj, WTD | 1141680 | 1077360 | 5.97% | - |
| | | Mr. Akhil Kumar Sureka, MD | 1669920 | 1575840 | 5.97% | - |
| | | Mr. Govindpal Singh, CFO | 262446 | 287460 | -8.70% | - |
| | | Ms. Shweta Garg | 177360 | 177360 | 0.00% | - |
| (x) | Key Paramater for any variable component of remuneration availed by the Directors | NA | | | | |
| (xi) | Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year | NIL | | | | |

The Board of directors of the company affirms that the remuneration is as per the remuneratio policy of the company.

The statement showing the names of every employee of the company as per Rule 5(2) forms part of Director's report is attached thereto.-NA

ANNEXURE - II
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.]

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions during FY 2017-18 not at Arm's length basis:

| SL. No. | Particulars | Details |
|----------------|---|----------------|
| a) | Name (s) of the related party & nature of relationship | NIL |
| b) | Nature of contracts/arrangements/transaction | NIL |
| c) | Duration of the contracts/arrangements/transaction | NIL |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | NIL |
| e) | Justification for entering into such contracts or arrangements or transactions' | NIL |
| f) | Date of approval by the Board | NIL |
| g) | Amount paid as advances, if any | NIL |
| h) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NIL |

2. Details of material contracts or arrangements or transactions during the FY 2017-18 at Arm's length basis:

| SL. No. | Particulars | Details |
|----------------|---|----------------|
| a) | Name (s) of the related party & nature of relationship | NIL |
| b) | Nature of contracts/arrangements/transaction | NIL |
| c) | Duration of the contracts/arrangements/transaction | NIL |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | NIL |
| e) | Date of approval by the Board | NIL |
| f) | Amount paid as advances, if any | NIL |

FOR JOTINDRA STEEL AND TUBES LIMITED

Akhil Kumar Sureka
(Managing Director)
DIN:00060206

Sd/-
Om Prakash Bhardwaj
(Whole Time Director)
DIN: 00060405



INDEPENDENT AUDITOR'S REPORT

To The Members of Jotindra Steel and Tubes Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **JOTINDRA STEEL AND TUBES LIMITED**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and 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 'Standalone Ind AS financial statements').

Management's Responsibility for the Standalone Ind AS Financial Statements

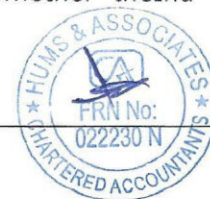
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

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

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



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

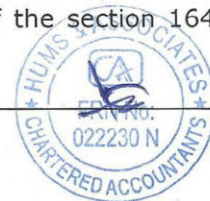
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2017 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS 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 written representations received from the directors as on 31 March, 2018 taken on record by the board of directors none of the director is disqualified as on 31 March 2018 for being appointment as a director in terms of the section 164(2) of the Companies Act, 2013.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements, if any.
 - ii) The Company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.

Place: New Delhi

Date: 29/05/2018

For H U M S & Associates
Chartered Accountants
Firm Registration No.: 022230N



H.P. Joshi

H.P. Joshi
Partner

Membership No.: 505140

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT ON JOTINDRA STEEL AND TUBES LIMITED

(Referred to Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

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

b) As explained to us, fixed assets are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of records of the company, the title deed of immovable property is held in the name of company.
- ii. (a) As explained to us physical verification of inventories has been conducted by the management at reasonable intervals by the management.

(b) Procedures of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of the business.

(c) Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans and advances to Six (Nine) parties listed in the register maintained under section 189 of the Companies Act, 2013. No formal stipulations in relation to interest, repayment schedule and other terms and conditions has been made therefore we are not in position to comment upon the sub-clauses (iii)(a) and (iii) (c).
- iv. According to the information and explanations given to us the Company has complied with the provisions of section 185 and 186 of Company's Act, 2013 in relation to loans, investments, guarantee and securities given, if any.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the books of accounts maintained by the company in respect of the products where, pursuant to Rules made by the Central Govt. of India, the maintenance of cost records has been prescribed under sub-section (1) of section 148 of the Company Act, 2013 and are of the opinion that prima-facie, the prescribed accounts

and records have been made and maintained in respect of steels, tubes & pipes and other steel products. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.

- vii. **a)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, Goods & Service Tax (GST) cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, Goods & Service Tax (GST), cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

- b)** On the basis of information and explanations given to us, there are no disputed Statutory Dues which have not been deposited with the appropriate authorities

- viii. The Company did not defaulted in repayment of any loan or borrowing from any financial institution, bank, government or debenture holders during the year. Thus paragraph 3(viii) of the order is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) but has taken term loans during the year and utilised the same for the purpose for which the funds were raised.
- x. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted audit practices in India, and according to the information and explanation given to us, we have neither come across instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanations given to us managerial remuneration has been paid by the Company is in compliance with requisite approvals mandated by provisions of Section 197 of Companies Act 2013.
- xii. Paragraph 3(xii) regarding the Nidhi Company, is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company ,transactions with related parties are in compliance with section 177 and 188 of Companies Act,2013 where applicable and details of such transactions is disclosed in notes to accounts as required by the applicable Accounting Standards.

- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. To the best of our knowledge and belief and as per the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with him.
- xvi. The activities carried by the company other than the main operative business are not to the extent which require registration under section 45-IA of the Reserve Bank of India Act, 1934.

For H U M S & Associates
Chartered Accountants
Firm Registration No.: 022230N

Place: New Delhi
Date: 29/05/2018

Sd/-
H.P. Joshi
Partner
Membership No.: 505140

ANNEXURE `B' TO THE INDEPENDENT AUDITOR'S REPORT

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

(Referred to Paragraph 2(f) of Report on Other Legal and Regulatory Requirements of our Report of even date)

We have audited the internal financial controls over financial reporting of **JOTINDRA STEEL AND TUBES LIMITED** as of 31 March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For H U M S & Associates
Chartered Accountants
Firm Registration No.: 022230N

Place: New Delhi
Date: 29/05/2018

Sd/-
H.P. Joshi
Partner
Membership No.: 505140

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

Balance Sheet as at March 31, 2018

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

| (Amount in INR) | | | | |
|--|----------|-----------------------|-----------------------|-----------------------|
| Particulars | Note no. | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| ASSETS | | | | |
| 1. Non current assets | | | | |
| a) Property, plant and equipment | 6 | 2,12,83,31,399 | 2,09,28,95,785 | 2,00,74,84,061 |
| b) Capital work-in-progress | 7 | 27,86,812 | 6,36,91,003 | 6,36,91,003 |
| c) Financial assets | | | | |
| i) Non current Investments | 8 | 22,34,18,951 | 22,31,69,793 | 20,53,83,267 |
| ii) Long Term Loans & Advances | 9 | 25,00,000 | 25,00,000 | 25,00,000 |
| iii) Other financial assets | 10 | 51,93,118 | 44,94,412 | 44,54,739 |
| d) Other non current assets | 15 | 1,10,404 | 2,42,889 | 3,75,374 |
| | | 2,36,23,40,685 | 2,38,69,93,882 | 2,28,38,88,445 |
| 2. Current assets | | | | |
| a) Inventories | 11 | 22,14,53,445 | 15,71,61,514 | 28,72,00,720 |
| b) Financial assets | | | | |
| i) Current Investments | | | | |
| i) Trade receivables | 12 | - | - | - |
| ii) Cash and cash equivalents | 13 | 1,12,97,96,579 | 90,88,13,666 | 1,07,08,11,016 |
| iii) Bank balances other than (iii) above | 14 | 42,75,340 | 29,79,608 | 5,68,15,391 |
| iv) Short Term Loans & Advances | 9 | 2,47,36,522 | 8,53,86,437 | 13,44,73,359 |
| c) Other current assets | 15 | 72,54,63,477 | 1,06,64,29,124 | 15,27,30,555 |
| | | 22,18,16,619 | 21,98,46,491 | 25,59,55,332 |
| | | 2,32,75,41,981 | 2,44,06,16,841 | 1,95,79,86,373 |
| 3. Assets classified as held for sale | | | | |
| | 16 | 2,68,15,500 | 8,16,98,651 | 8,67,71,901 |
| Total Assets | | 4,71,66,98,166 | 4,90,93,09,374 | 4,32,86,46,718 |
| EQUITY AND LIABILITIES | | | | |
| EQUITY | | | | |
| (a) Equity share capital | 17 | 4,87,46,053 | 4,87,46,053 | 4,87,46,053 |
| (b) Other equity | | | | |
| i) Retained Earnings | 18 | 12,46,45,053 | 8,43,35,921 | 5,32,96,856 |
| ii) Other reserves | | 2,08,72,90,241 | 2,08,72,90,241 | 2,08,72,90,241 |
| Total equity | | 2,26,06,81,347 | 2,22,03,72,215 | 2,18,93,33,150 |
| LIABILITIES | | | | |
| 1. Non Current liabilities | | | | |
| a) Financial liabilities | | | | |
| i) Long Term Borrowings | 19 | 80,39,08,132 | 97,38,30,482 | 48,26,68,596 |
| ii) Other financial liabilities | | | | |
| b) Provisions | 20 | 14,93,952 | 12,95,080 | 18,76,753 |
| c) Deferred tax liabilities (net) | 21 | 1,15,37,928 | 3,17,86,960 | 3,09,34,345 |
| | | 81,69,40,012 | 1,00,69,12,522 | 51,54,79,694 |
| 2. Current Liabilities | | | | |
| a) Financial liabilities | | | | |
| i) Short Term Borrowings | 22 | 56,85,86,510 | 49,80,84,049 | - |
| ii) Trade payables | 23 | 77,39,77,480 | 71,93,41,548 | 91,22,32,623 |
| iii) Other financial liabilities | 24 | 7,89,71,270 | 10,12,26,572 | 4,90,23,637 |
| b) Other current liabilities | 25 | 15,70,12,526 | 30,64,02,253 | 61,59,52,070 |
| c) Provisions | 20 | 6,05,29,019 | 5,69,70,214 | 4,66,25,545 |
| | | 1,63,90,76,806 | 1,68,20,24,637 | 1,62,38,33,875 |
| Total Equity and Liabilities | | 4,71,66,98,166 | 4,90,93,09,374 | 4,32,86,46,718 |

Summary of significant accounting policies 5

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For H U M S & Associates
Chartered Accountants
Firm Registration No.: 022230N

sd/-
H.P. Joshi
Partner
Membership No.: 505140

Place: New Delhi
Date: 29/05/2018

For and on behalf of the Board of Directors of
Jotindra Steel and Tubes Limited

sd/-
A.K. Sureka
Director

sd/-
Govind Pal Singh
Chief Financial Officer

sd/-
O.P. Bhardwaj
Director

sd/-
Shweta Garg
Company Secretary

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

| (Amount in INR) | | | |
|---|-----------|------------------------------------|--|
| Particulars | Note no. | For the year ending March 31, 2018 | For the year ending March 31, 2017 |
| Income | | | |
| Revenue from operations | 26 | 3,15,28,29,259 | 2,50,87,79,472 |
| Other income | 27 | 10,57,91,381 | 18,01,18,812 |
| Total income | | 3,25,86,20,640 | 2,68,88,98,284 |
| Expenses | | | |
| Cost of raw materials consumed | 28 | 1,23,97,02,283 | 1,18,14,04,897 |
| Purchases of stock-in-trade | | 1,79,51,11,639 | 96,79,50,409 |
| Changes in inventories of finished goods, work-in-progress and raw materials | 29 | (5,47,16,476) | 12,55,49,318 |
| Employee benefits expenss | 30 | 1,86,56,978 | 2,27,69,500 |
| Finance costs | 31 | 10,78,99,541 | 12,40,71,411 |
| Depreciation | 3 | 2,82,33,651 | 2,70,52,694 |
| Manufacturing expenses | 32 | 4,50,50,311 | 5,33,64,083 |
| Selling and distribution expenses | 33 | 1,56,30,007 | 4,58,54,829 |
| Administration and general expenses | 34 | 3,96,15,459 | 9,46,24,361 |
| Total expenses | | 3,23,51,83,393 | 2,64,26,41,501 |
| Profit/(Loss) before tax | | 2,34,37,247 | 4,62,56,783 |
| Income tax expenses | | - | - |
| Provision for current tax | | 34,00,000 | 96,00,912 |
| MAT credit utilized | | 58,207 | 48,70,851 |
| Deferred tax | | (2,02,49,032) | 8,52,615 |
| Profit/(Loss) for the year | | 4,02,28,072 | 3,09,32,405 |
| Other comprehensive income | 35 | | |
| A (i) Items that will not be reclassified to profit or loss | | | |
| Re-measurement gains/ (losses) on defined benefit plans | | 1,15,801 | 1,52,371 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | (34,740) | (45,711) |
| Other comprehensive income for the year | | 81,061 | 1,06,660 |
| Total comprehensive income for the year | | 4,03,09,132 | 3,10,39,065 |
| Earnings per equity share: | 36 | | |
| Basic earnings per equity share of INR 10 each (in INR) | | 8.27 | 6.37 |
| Diluted earnings per equity share of INR 10 each (in INR) | | 8.27 | 6.37 |
| Summary of significant accounting policies | 5 | | |
| The accompanying notes are an integral part of the financial statements. | | | |
| As per our report of even date | | | |
| For H U M S & Associates | | | For and on behalf of the Board of Directors of |
| Chartered Accountants | | | Jotindra Steel and Tubes Limited |
| Firm Registration No.: 022230N | | | |
| sd/- | | sd/- | sd/- |
| H.P. Joshi | | A.K. Sureka | O.P. Bhardwaj |
| Partner | | Director | Director |
| Membership No.: 505140 | | | |
| Place: New Delhi | | sd/- | sd/- |
| Date: 29/05/2018 | | Govind Pal Singh | Shweta Garg |
| | | Chief Financial Officer | Company Secretary |

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

Statements of Changes in Equity as on March 31, 2018

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

a) Equity share capital

| Equity shares of INR 10 each issued, subscribed and fully paid:- | Number of Shares | Amount |
|--|------------------|--------------------|
| At April 1, 2016 | 48,72,749 | 4,87,46,053 |
| Issue of share capital (Note 14) | - | - |
| At March 31, 2017 | 48,72,749 | 4,87,46,053 |
| Issue of share capital (Note 14) | - | - |
| At March 31, 2018 | 48,72,749 | 4,87,46,053 |

b) Other equity

| Particulars | Reserves and Surplus | | | | Items of Other | | Total Equity |
|--|----------------------|----------------------------|----------------------------|----------------------|-----------------------|----------|-----------------------|
| | Capital Reserve | Securities Premium Reserve | Capital Redemption Reserve | Retained Earnings | Revaluation Surplus | Others | |
| As at April 1, 2016 | 750 | 22,05,24,788 | 2,35,00,000 | 10,11,57,270 | 1,84,32,64,703 | | 2,18,84,47,511 |
| Ind AS Adjustments (Note ..) | | | | (4,78,60,414) | | | |
| Restated balance at the beginning of the reporting period | 750 | 22,05,24,788 | 2,35,00,000 | 5,32,96,856 | 1,84,32,64,703 | | 2,14,05,87,097 |
| Profit/(Loss) for the year | | | | 3,09,32,405 | | | 3,09,32,405 |
| Items of other comprehensive income | | | | | | | |
| Re-measurement gain/(loss) on defined benefit plans | | | | 1,06,660 | | | 1,06,660 |
| Total comprehensive income as at March 31, 2017 | - | - | - | 3,10,39,065 | - | - | 3,10,39,065 |
| As at March 31, 2017 | 750 | 22,05,24,788 | 2,35,00,000 | 8,43,35,921 | 1,84,32,64,703 | - | 2,17,16,26,162 |
| As at April 1, 2017 | 750 | 22,05,24,788 | 2,35,00,000 | 8,43,35,921 | 1,84,32,64,703 | - | 2,17,16,26,162 |
| Profit/(Loss) for the year | - | | | 4,02,28,072 | - | | 4,02,28,072 |
| Items of other comprehensive income | | | | | | | |
| Re-measurement gain/(loss) on defined benefit plans | | | | 81,061 | | | 81,061 |
| Total comprehensive income as at March 31, 2018 | - | - | - | 4,03,09,132 | - | - | 4,03,09,132 |
| At March 31, 2018 | 750 | 22,05,24,788 | 2,35,00,000 | 12,46,45,053 | 1,84,32,64,703 | - | 2,21,19,35,294 |

Summary of significant accounting policies

5

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For H U M S & Associates

Chartered Accountants

Firm Registration No.: 022230N

sd/-

H.P. Joshi

Partner

Membership No.: 505140

Place: New Delhi

Date: 29/05/2018

For and on behalf of the Board of Directors of

Jotindra Steel and Tubes Limited

sd/-

A.K. Sureka

Director

sd/-

Govind Pal Singh

Chief Financial Officer

sd/-

O.P. Bhardwaj

Director

sd/-

Shweta Garg

Company Secretary

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

Statement of Cash Flows for the year ended March 31, 2018

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

| Particulars | (Amount in INR) | |
|--|---------------------------------------|---------------------------------------|
| | For the year ending March 31, 2018 | For the year ending March 31, 2017 |
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit/(loss) before exceptional items and tax | 2,34,37,247 | 4,62,56,783 |
| Adjustments for: | | |
| Depreciation | 2,82,33,651 | 2,70,52,694 |
| Loss on Sale of Assets | 32,38,357 | - |
| Change in fair value of mutual funds | (37,310) | (86,354) |
| (Gain)/Loss on sale of current investments (Net) | 11,248 | (7,50,000) |
| Amortisation of rent on security deposits paid | 1,32,485 | 1,32,485 |
| Unwinding of discount on security deposits paid | (1,28,707) | (1,19,173) |
| Actuarial Gain or losses | 1,15,801 | 1,52,371 |
| Interest income | (5,08,30,808) | (14,38,64,488) |
| Interest expense | 8,64,40,182 | 9,82,09,155 |
| Operating Profit/(Loss) before working capital changes | 9,06,12,146 | 2,69,83,473 |
| Movements in cash flow on account of working capital: | | |
| Changes in security deposits | (5,70,000) | 79,500 |
| Changes in inventories | (6,42,91,931) | 13,00,39,206 |
| Changes in trade receivables | (22,09,82,913) | 16,19,97,349 |
| Changes in other current assets | 45,73,718 | 4,75,02,720 |
| Changes in other financial liabilities | (36,12,033) | 29,50,483 |
| Changes in provisions | 3,22,937 | 1,16,374 |
| Changes in trade payables | 5,46,35,932 | (19,28,91,075) |
| Changes in other current liabilities | (14,93,89,727) | (30,95,49,817) |
| Cash generated from operations | (28,87,01,870) | (13,27,71,786) |
| Income taxes paid (Net of refunds) | (66,02,052) | (1,62,64,730) |
| NET CASH FROM OPERATING ACTIVITIES | (29,53,03,923) | (14,90,36,516) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Payments to acquire Property, Plant and Equipment | (72,71,567) | (11,24,64,418) |
| Payments from sale of Property, Plant and Equipment | 5,61,51,287 | 50,73,250 |
| Payments to acquire current investments | | |
| Proceeds from sale of Non current investments | - | 37,50,000 |
| Payments to acquire non current investments | (2,23,096) | (2,07,00,172) |
| Interest received | 5,08,30,808 | 14,38,64,488 |
| Redemption/(Investments) in margin money deposits | 6,06,49,915 | 4,90,86,922 |
| NET CASH (USED)/GENERATED IN INVESTING | 16,01,37,346 | 6,86,10,070 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| (Repayment)/Proceeds from long term borrowings | (18,85,65,619) | 54,04,14,339 |
| Proceeds from short term borrowings | 7,05,02,461 | 49,80,84,049 |
| Interest and other finance charges paid | (8,64,40,182) | (9,82,09,155) |
| Loans & advances received/(given) to related parties | 34,09,65,647 | (91,36,98,569) |
| NET CASH USED IN FINANCING ACTIVITIES | 13,64,62,307 | 2,65,90,664 |
| NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C) | 12,95,731 | (5,38,35,782) |
| CASH AND CASH EQUIVALENTS: | | |
| Opening Balance | 29,79,609 | 5,68,15,391 |
| Unrealised Gain/(Loss) on foreign currency Cash and Cash Equivalents | | - |
| Closing Balance | 42,75,340 | 29,79,609 |
| | 42,75,340 | 29,79,608 |
| Summary of significant accounting policies | 5 | 0 1 |

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For H U M S & Associates
Chartered Accountants
Firm Registration No.: 022230N

sd/-
H.P. Joshi
Partner
Membership No.: 505140

Place: New Delhi
Date: 29/05/2018

For and on behalf of the Board of Directors of
Jotindra Steel and Tubes Limited

sd/-
A.K. Sureka
Director

sd/-
O.P. Bhardwaj
Director

sd/-
Govind Pal Singh
Chief Financial Officer

sd/-
Shweta Garg
Company Secretary

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

| | | | | | | | | | | | | | | (Amount in INR) |
|---|-----------------------------|--------------------|-------------------|---------------------|--------------------------|---------------------|------------------------|----------------------------------|-------------------|-----------------|------------------|--------------------|---------------------|-----------------------|
| 6 Property, plant and equipment | | | | | | | | | | | | | | |
| Particulars | Land (freehold & leasehold) | Buildings | Residential flats | Plant and machinery | Electrical installations | Building equipments | Furniture and fixtures | Refrigeration & air conditioners | Office equipments | Computers | Solar plant | Vehicles | Commercial vehicles | Total |
| Cost or valuation | | | | | | | | | | | | | | |
| Deemed cost as at April 1, 2016 | 1,84,89,61,700 | 3,16,70,137 | 2,60,498 | - | 4,99,761 | 7,23,17,504 | 11,87,100 | 24,06,251 | 19,01,564 | 4,33,388 | - | 2,73,31,589 | 2,05,14,569 | 2,00,74,84,061 |
| Additions | - | 52,739 | - | 14,31,500 | - | 9,64,97,916 | - | - | - | 1,77,212 | 7,20,911 | 1,35,84,139 | - | 11,24,64,418 |
| Disposals | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2017 | 1,84,89,61,700 | 3,17,22,876 | 2,60,498 | 14,31,500 | 4,99,761 | 16,88,15,420 | 11,87,100 | 24,06,251 | 19,01,564 | 6,10,600 | 7,20,911 | 4,09,15,728 | 2,05,14,569 | 2,11,99,48,479 |
| Additions | 6,09,04,191 | - | - | - | - | - | - | - | - | 8,500 | 72,05,625 | 57,442 | - | 6,81,75,758 |
| Disposals | - | - | - | - | - | 47,68,500 | - | - | - | - | - | 62,85,000 | - | 1,10,53,501 |
| Reclassifications | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2018 | 1,90,98,65,891 | 3,17,22,876 | 2,60,498 | 14,31,500 | 4,99,761 | 16,40,46,920 | 11,87,100 | 24,06,251 | 19,01,564 | 6,19,100 | 79,26,536 | 3,46,88,170 | 2,05,14,569 | 2,17,70,70,736 |
| Depreciation | | | | | | | | | | | | | | |
| As at April 1, 2016 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Reclassification during the year (transfer in) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Reclassification during the year (transfer out) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Charge for the year | - | 5,22,789 | 8,336 | 68,058 | 60,708 | 1,33,80,007 | 2,06,252 | 3,45,273 | 6,04,663 | 1,52,962 | 20,642 | 65,53,016 | 51,29,988 | 2,70,52,694 |
| Depreciation charged to retained earnings | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2017 | - | 5,22,789 | 8,336 | 68,058 | 60,708 | 1,33,80,007 | 2,06,252 | 3,45,273 | 6,04,663 | 1,52,962 | 20,642 | 65,53,016 | 51,29,988 | 2,70,52,694 |
| Charge for the year | - | 5,22,988 | 8,335 | 90,644 | 60,682 | 1,51,95,455 | 1,66,838 | 3,19,409 | 4,31,854 | 1,04,148 | 3,01,175 | 59,41,772 | 50,90,352 | 2,82,33,651 |
| Reclassifications | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | 5,76,258 | - | - | - | - | - | 59,70,750 | - | 65,47,008 |
| As at March 31, 2018 | - | 10,45,777 | 16,671 | 1,58,702 | 1,21,390 | 2,79,99,204 | 3,73,090 | 6,64,682 | 10,36,517 | 2,57,110 | 3,21,817 | 65,24,038 | 1,02,20,340 | 4,87,39,337 |
| Net block | | | | | | | | | | | | | | |
| As at March 31, 2018 | 1,90,98,65,891 | 3,06,77,100 | 2,43,827 | 12,72,798 | 3,78,371 | 13,60,47,716 | 8,14,010 | 17,41,569 | 8,65,047 | 3,61,990 | 76,04,719 | 2,81,64,132 | 1,02,94,229 | 2,12,83,31,399 |
| As at March 31, 2017 | 1,84,89,61,700 | 3,12,00,087 | 2,52,162 | 13,63,442 | 4,39,053 | 15,54,35,413 | 9,80,848 | 20,60,978 | 12,96,901 | 4,57,638 | 7,00,269 | 3,43,62,712 | 1,53,84,581 | 2,09,28,95,785 |
| As at April 1, 2016 | 1,84,89,61,700 | 3,16,70,137 | 2,60,498 | - | 4,99,761 | 7,23,17,504 | 11,87,100 | 24,06,251 | 19,01,564 | 4,33,388 | - | 2,73,31,589 | 2,05,14,569 | 2,00,74,84,061 |

*The Company has availed the deemed cost exemption and used the previous GAAP carrying amount of property, plant and equipment as deemed cost. The gross block and accumulated depreciation of such items of property, plant and equipment as on April 1, 2016 are as under:

| | Gross block | Accumulated depreciation | Net block (Deemed cost) |
|-------------------------------|-----------------------|--------------------------|-------------------------|
| Land (freehold & leasehold) | 1,84,89,61,700 | - | 1,84,89,61,700 |
| Buildings | 3,48,85,558 | 32,15,421 | 3,16,70,137 |
| Residential flats | 5,35,791 | 2,75,293 | 2,60,498 |
| Plant & machinery | - | - | - |
| Electrical installations | 6,27,730 | 1,27,969 | 4,99,761 |
| Building equipments | 9,63,51,727 | 2,40,34,223 | 7,23,17,504 |
| Furniture & fixtures | 23,80,738 | 11,93,638 | 11,87,100 |
| Refrigeration & air condition | 33,97,420 | 9,91,169 | 24,06,251 |
| Office equipments | 46,31,828 | 27,30,264 | 19,01,564 |
| Computer | 28,64,270 | 24,30,882 | 4,33,388 |
| Solar plant | - | - | - |
| Vehicles | 4,18,00,851 | 1,44,69,262 | 2,73,31,589 |
| Commercial vehicles | 3,86,43,981 | 1,81,29,412 | 2,05,14,569 |
| | 2,07,50,81,594 | 6,75,97,533 | 2,00,74,84,061 |

Notes:-

- The management has evaluated that every class of asset represents a component and no further componentisation shall be required.
- The management has evaluated that cost of dismantling is not material to be accounted at inception and hence shall be accounted as & when incurred.
- Land at Faridabad on 14/3 Mathura Road and Sector 45, and at B-231, Okhla Phase I, New Delhi, have been revalued on March 31, 2015 by an approved valuer resulting in an increase in gross block by Rs. 184,32,64,703.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

7 Capital work-in-progress

Leasehold Land
Building
Plant & Machinery

| As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|-------------------------|-------------------------|------------------------|
| | 6,09,04,191 | 6,09,04,191 |
| 6,45,233 | 6,45,233 | 6,45,233 |
| 21,41,579 | 21,41,579 | 21,41,579 |
| 27,86,812 | 6,36,91,003 | 6,36,91,003 |

8 Non-current investments

Quoted

(i) Investment in Mutual Funds at fair value

SBI PSU Fund Growth

SBI Life Smart Wealth Builder LP .

(ii) Investment in Government Securities at cost

Kisan Vikas Patra

| As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|--|-------------------------|------------------------|
| 2,21,582 | 2,32,830 | 1,66,420 |
| 8,07,254 | 7,69,944 | 5,00,000 |
| 25,000 | 25,000 | 25,000 |
| Unquoted | | |
| (i) Investment in Equity Instruments at cost | | |
| Prudent Arc Limited (300,000 fully paid up of INR 10 each fully paid up) | - | 30,00,000 |
| JST Infrastructure Private Limited (1,350 fully paid up of INR 100 each fully paid up) | 1,35,000 | 1,35,000 |
| JST Solar Energy Private Limited (1,650 fully paid up of INR 100 each fully paid up) | 1,65,000 | - |
| (ii) Investment in Partnership Firm at cost | | |
| Ozone GSP Infratech* | 22,20,65,115 | 20,15,56,847 |
| 22,34,18,951 | 22,31,69,793 | 20,53,83,267 |

* Investment in Partnership Firm - Ozone GSP Infratech :-

Details of Partners:-

Name of Partner

1. Jotindra Steel & Tubes Limited

2. Akhil Kumar Sureka

| March 31, 2018 | % holding as on | |
|----------------|-----------------|---------------|
| | March 31, 2017 | April 1, 2016 |
| 95 | 95 | 95 |
| 5 | 5 | 5 |

Profit Sharing Ratio:- Partners shall share the profit arising from the business of the firm, in their capital sharing ratio, prevailing on the last day of concerned financial year. However, losses arising from the business shall be borne solely by Jotindra Steel & Tubes Limited.

| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
|--|----------------|----------------|---------------|
| Profit/(Loss) - Share for the year ended: | # | # | # |
| Capital Balance | 22,20,65,115 | 22,18,42,019 | 20,15,56,847 |
| Profit/(Loss) - Recognised for the year ended: | NIL | NIL | NIL |

As the audited accounts of the partnership firm for the year ended are not prepared till the signing of these accounts, the profit of Rs. 2,23,096.10 for the FY 2016-17 has been recognised during the current year and for FY 2017-18 profit/loss shall be recognised later.

9 Loans and advances

| | Non-current | | | Current | | |
|---|-------------------------|-------------------------|------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Unsecured, considered good (Receivable on demand) | | | | | | |
| Advance recoverable in cash or kind | | | | | | |
| To related party | - | - | - | 15,55,43,381 | 27,23,89,167 | 10,94,16,258 |
| To Others | - | - | - | 56,99,20,096 | 79,40,39,957 | 4,33,14,297 |
| Loans to others* | 25,00,000 | 25,00,000 | 25,00,000 | - | - | - |
| | 25,00,000 | 25,00,000 | 25,00,000 | 72,54,63,477 | 1,06,64,29,124 | 15,27,30,555 |

* Loans and Advances have been categorised on its recoverability within 12 months. Where management does not foresee recoverability in next 12 months, the same has been classified as non-current.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

10 Other financial assets

| | Non-current | | | Current | | |
|---|-------------------------|-------------------------|------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2017 | As at March 31, 2018 | As at April 1, 2016 | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Security deposits | | | | | | |
| Deposit to government | 33,03,740 | 28,83,098 | 29,62,598 | - | - | - |
| Deposit to others | 18,89,378 | 16,11,313 | 14,92,141 | - | - | - |
| Advances to related parties | | | | | | |
| Deposits with original maturity for more than 12 months | | | | | | |
| Margin money deposits | | | | | | |
| Interest accrued on fixed deposits | | | | | | |
| | 51,93,118 | 44,94,412 | 44,54,739 | - | - | - |

11 Inventories

| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|---|-------------------------|-------------------------|------------------------|
| In hand | | | |
| Raw material | 97,66,155 | 57,66,277 | 1,12,56,254 |
| Finished goods | 14,28,03,043 | 8,85,52,559 | 15,41,12,790 |
| Construction- Work in progress at Faridabad (refer note 40) | 5,45,81,942 | 5,40,27,942 | 5,40,27,942 |
| Scrap | 11,72,203 | 12,60,211 | 9,20,241 |
| Stores, spares & packing material | 1,31,30,102 | 75,54,525 | 65,54,436 |
| | 22,14,53,445 | 15,71,61,514 | 22,68,71,663 |
| In transit | | | |
| Finished goods | - | - | 6,03,29,057 |
| | - | - | 6,03,29,057 |
| | 22,14,53,445 | 15,71,61,514 | 28,72,00,720 |

12 Trade receivables

| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|--|-------------------------|-------------------------|------------------------|
| Outstanding for a period exceeding six months | | | |
| Unsecured, considered good | 35,02,79,088 | 32,55,82,685 | 15,76,05,349 |
| Less:- Provision for doubtful receivables | 35,02,791 | 32,55,827 | 15,76,053 |
| | 34,67,76,297 | 32,23,26,858 | 15,60,29,296 |
| Outstanding for a period less than six months | | | |
| Unsecured, considered good | 78,30,20,282 | 58,64,86,808 | 91,47,81,720 |
| Unsecured, considered doubtful | 78,30,20,282 | 58,64,86,808 | 91,47,81,720 |
| Less:- Provision for doubtful receivables | - | - | - |
| | 78,30,20,282 | 58,64,86,808 | 91,47,81,720 |
| | 1,12,97,96,579 | 90,88,13,666 | 1,07,08,11,016 |

13 Cash and cash equivalents

| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|--|-------------------------|-------------------------|------------------------|
| Balances with scheduled banks: | | | |
| On current accounts | 31,61,784 | 27,67,276 | 5,46,92,073 |
| Fixed deposits with original maturity less than 3 months | | | |
| Cheques/drafts in hand | | | |
| Cash in hand | 11,13,556 | 2,12,332 | 21,23,318 |
| | 42,75,340 | 29,79,608 | 5,68,15,391 |

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|--|-------------------------|-------------------------|------------------------|
| Cash in hand | 11,13,556 | 2,12,332 | 21,23,318 |
| Cheques/ drafts on hand | - | - | - |
| Balances with scheduled banks: | | | |
| On current accounts | 31,61,784 | 27,67,276 | 5,46,92,073 |
| Fixed deposits with original maturity less than 3 months | - | - | - |
| | 42,75,340 | 29,79,608 | 5,68,15,391 |
| Less: Fixed deposits not considered as cash equivalents | - | - | - |
| | 42,75,340 | 29,79,608 | 5,68,15,391 |

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

14 Bank balances other than cash and cash equivalents

Margin money deposit

| As at | As at | As at |
|--------------------|--------------------|---------------------|
| March 31, 2018 | March 31, 2017 | April 1, 2016 |
| 2,47,36,522 | 8,53,86,437 | 13,44,73,359 |
| 2,47,36,522 | 8,53,86,437 | 13,44,73,359 |

15 Other current assets

Capital advances

Secured, considered good
Unsecured, considered good
Unsecured, considered doubtful

Provision for doubtful advances

(Unsecured, considered good)

Balances with government authorities (VAT/Excise Duty/Service Tax/Custom Accounts)

Prepaid expenses

Income-tax/ Tax deducted at source

Claims receivable

Interest receivable

MAT credit receivable

Export incentive receivable

Deferred rent

| | Non-current | | | Current | | |
|--|-----------------|-----------------|-----------------|---------------------|---------------------|---------------------|
| | As at | As at | As at | As at | As at | As at |
| | March 31, 2018 | March 31, 2017 | April 1, 2016 | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | - | - | - | 82,73,172 | 1,37,25,096 | 99,62,834 |
| | - | - | - | - | - | 1,03,872 |
| | - | - | - | 7,97,48,292 | 7,31,46,240 | 5,68,81,510 |
| | - | - | - | 12,26,44,218 | 11,85,87,492 | 16,96,73,165 |
| | - | - | - | 7,59,916 | 36,62,414 | 37,02,816 |
| | - | - | - | 1,02,58,535 | 1,03,16,742 | 1,51,87,593 |
| | - | - | - | - | 2,76,022 | 3,11,056 |
| | 1,10,404 | 2,42,889 | 3,75,374 | 1,32,485 | 1,32,485 | 1,32,485 |
| | 1,10,404 | 2,42,889 | 3,75,374 | 22,18,16,619 | 21,98,46,491 | 25,59,55,332 |

16 Assets held at realisable value*

Building

Plant and machinery (Haridwar)

Plant and machinery (Faridabad factory)

Laboratory equipment (Faridabad factory and furnace division)

Electrical installations (Faridabad factory and furnace division)

Plant & Machinery (CWIP)

| As at | As at | As at |
|--------------------|--------------------|--------------------|
| March 31, 2018 | March 31, 2017 | April 1, 2016 |
| - | 36,29,440 | 36,29,440 |
| - | 20,46,400 | 20,46,400 |
| 2,52,50,000 | 7,34,34,637 | 7,85,07,887 |
| - | 2,79,775 | 2,79,775 |
| 15,65,500 | 23,08,399 | 23,08,399 |
| - | - | - |
| 2,68,15,500 | 8,16,98,651 | 8,67,71,901 |

*Accounted at their fair values.

17 Equity share capital

Authorised share capital

10,000,000 equity shares of INR 10 each

Issued share capital

4,876,174 equity shares of INR 10 each

Subscribed and Paid up share capital

4,872,749 equity shares of INR 10 each*

Add:- Amount forfeited on 3,425 shares

Total Issued, Subscribed and Fully Paid up share capital

| As at | As at | As at |
|---------------------|---------------------|---------------------|
| March 31, 2018 | March 31, 2017 | April 1, 2016 |
| 10,00,00,000 | 10,00,00,000 | 10,00,00,000 |
| 10,00,00,000 | 10,00,00,000 | 10,00,00,000 |
| 4,87,61,740 | 4,87,61,740 | 4,87,61,740 |
| 4,87,61,740 | 4,87,61,740 | 4,87,61,740 |
| 4,87,27,490 | 4,87,27,490 | 4,87,27,490 |
| 18,563 | 18,563 | 18,563 |
| 4,87,46,053 | 4,87,46,053 | 4,87,46,053 |

* 60,000 shares have been allotted as fully paid up, pursuant to a contract without payment being received in cash.

a. Reconciliation of the number of shares at the beginning and at the end of the year

| | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------------------|--------------------|----------------------|--------------------|
| | No. of shares | Value | No. of shares | Value |
| At the beginning of the year | 48,72,749 | 4,87,27,490 | 48,72,749 | 4,87,27,490 |
| Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 48,72,749 | 4,87,27,490 | 48,72,749 | 4,87,27,490 |

b. Terms/rights attached to equity shares

The Company has only one class of equity share having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

| c. Details of shareholders holding more than 5% shares in the C | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------------------|--------------|----------------------|--------------|
| | No. of shares | % of holding | No. of shares | % of holding |
| 1. Vishnu Kumar Sureka | 9,08,293 | 18.64 | 5,18,593 | 10.64 |
| 2. Akhil Kumar Sureka | 5,23,626 | 10.75 | 5,23,626 | 10.75 |
| 3. Premlata Sureka | 150 | 0.00 | 5,75,469 | 11.81 |
| 4. Hemant Venkatamani Lalithraj | 3,37,500 | 6.93 | 3,37,500 | 6.93 |
| 5. Deepa Subramanian | 3,37,500 | 6.93 | 3,37,500 | 6.93 |
| 6. Digvijay Singh | 3,37,500 | 6.93 | 3,37,500 | 6.93 |
| 7. Sneha Santosh Tirodkar | 3,37,500 | 6.93 | 3,37,500 | 6.93 |
| 8. Navneet Kumar Sureka | 3,91,987 | 8.04 | - | - |

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

| 18 Other Equity | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|-----------------------------------|-------------------------|-------------------------|------------------------|
| Capital reserve | 750 | 750 | 750 |
| Securities premium reserve | 22,05,24,788 | 22,05,24,788 | 22,05,24,788 |
| Capital redemption reserve | 2,35,00,000 | 2,35,00,000 | 2,35,00,000 |
| Revaluation surplus | 1,84,32,64,703 | 1,84,32,64,703 | 1,84,32,64,703 |
| Retained earnings | 12,46,45,053 | 8,43,35,921 | 5,32,96,856 |
| | 2,21,19,35,294 | 2,17,16,26,162 | 2,14,05,87,097 |

| 19 Long term borrowings | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|--|-------------------------|-------------------------|------------------------|
| Secured | | | |
| Term loan from banks | 24,45,86,152 | 33,16,83,302 | 20,50,51,204 |
| Less: Current maturity (refer note 24) | (7,73,44,469) | (9,59,87,738) | (4,67,35,286) |
| | 16,72,41,682 | 23,56,95,564 | 15,83,15,918 |
| Unsecured (repayable on demand) | | | |
| From Companies (related party) | 5,36,04,206 | 44,03,313 | 25,79,985 |
| From Companies interest free | 57,77,77,049 | 72,81,92,049 | 32,14,58,904 |
| From Directors | 52,85,195 | 55,39,556 | 3,13,789 |
| | 80,39,08,132 | 97,38,30,482 | 48,26,68,596 |

* Borrowings have been classified on the basis of scheduled/ intended repayment period. Where management does not foresee repayment within next 12 months, the same has been classified as Long term Borrowings. Further, the repayments due in next 12 months have been classified as "Current maturities of long-term debt" under "Other financial Liabilities- Current" (Note No 24).

a. Term loans from banks and financial institutions

| Particulars | Reference below | Carrying value as on | | |
|---|-----------------|-------------------------|-------------------------|------------------------|
| | | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
| Term loan from TATA Capital financial services Limited | a | 2,78,69,687 | 2,96,69,021 | 2,52,73,186 |
| Term loan from Kotak Mahindra Bank | b | 5,79,35,911 | 6,80,00,000 | - |
| Term loan from Small Industries Development Bank of India | c | 6,52,69,551 | 8,99,52,415 | 7,41,50,000 |
| Term loan from India Bull Housing Finance Ltd | d | 4,75,65,875 | 5,25,36,986 | 5,69,29,758 |
| Term Loan Equipments | | | | |
| Term loan from ICICI | e | 3,03,86,040 | 6,77,62,705 | 3,20,38,195 |
| Term loan from HDB Financial | e | 18,59,194 | 30,89,990 | - |
| Term Loan Automobiles | | | | |
| Term Loan from ICICI | | | 10,83,568 | 22,33,556 |
| Term loan from HDFC | e | 55,98,740 | 78,07,379 | 98,09,434 |
| Term loan from AXIS | e | 81,01,154 | 1,00,17,239 | - |
| Term loan from Daimler Financial | e | - | 17,63,999 | 42,99,904 |
| Term loan from Kotak Mahindra Prime Ltd | | | | 3,17,171 |
| | | 24,45,86,152 | 33,16,83,302 | 20,50,51,204 |

Security, interest and repayment terms

(a) Term Loan from Tata Capital financial Services Limited

(i) Includes a joint loan in the name of M/s. Quality Synthetic Industries Ltd., Mr. Akhil Kumar Sureka, Mr. Vishnu Kumar Sureka, and Jotindra Steel & Tubes Ltd., all are Co-applicant. The loan is secured by way of equitable mortgage of Property at First Floor, 2nd Portion, Pramukh Plaza, Wing "A" Chakala Road, Chakala, Andheri (East), Mumbai owned by M/s. Quality Synthetic Industries Ltd, and also personal guarantee of Mr. Akhil Kumar Sureka, Managing Director & Mr. Vishnu Kumar Sureka, Shri Navneet Kumar Sureka. Since the loan was disbursed to/and utilised by the co-applicant M/s Jotindra Steel & Tubes Limited, hence, all the transaction related there to have been recorded in the financial statements of the said co-applicant. Balance outstanding as on 31.03.2017 is Rs.Nil (31.03.2016 Rs.1,26,37,376/-) and the Installments due within the period of next 12 months are Rs.Nil (31.03.2016 Rs. 37,19,376/-). The loan is closed during the financial year 2016-17. Refer point (iii) below.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

(ii) Includes a joint loan in the name of M/s. Bihariji Ispat Udyog Ltd. and Shri Vishnu Kumar Sureka and Mr. Akhil Kumar Sureka, where M/s. Jotindra Steel & Tubes Limited, is a Co-applicant. The loan is secured by way of equitable mortgage of Property at First Floor, 2nd Portion, Pramukh Plaza, Wing "A" Chakala Road, Chakala, Andheri (East), Mumbai owned by M/s. Bihariji Ispat Udyog Ltd, and also personal guarantee of Mr. Navneet Kumar Sureka, Managing Director & Mr. Vishnu Kumar Sureka, Authorised Signatory of the Company. Since the loan was disbursed to/and utilised by the co-applicant M/s Jotindra Steel & Tubes Limited, hence, all the transaction related there to have been recorded in the financial statements of the said co- applicant. Balance outstanding as on 31.03.2017 is Rs.Nil (31.03.2016 Rs. 1,26,35,810/-) and the installments(Principal) due within the period of next 12 months are Rs. Nil/- (31.03.2016 Rs.37,20,024). The loan is closed during the financial year 2016-17. Refer point (iii) below.

(iii) During the financial year 2016-17, company has taken a joint loan by squaring up the above two loans, in the name of company and M/s. Bihariji Ispat Udyog Ltd, Quality Synthetic Industries Limited and Shri Vishnu Kumar Sureka, Shri Navneet Kumar Sureka and Mr. Akhil Kumar Sureka, where M/s. Jotindra Steel & Tubes Limited, is a Co-applicant. The loan is secured by way of equitable mortgage of Property at Unit No. 1 & 3 First Floor, 2nd Portion, Pramukh Plaza, Wing "A" Chakala Road, Chakala, Andheri (East), Mumbai owned by M/s. Bihariji Ispat Udyog Ltd and Quality Synthetic Industries Limited and also personal guarantee of Mr. Navneet Kumar Sureka, Mr. Vishnu Kumar Sureka and Akhil Kumar Sureka. Since the loan was disbursed to/and utilised by the co-applicant M/s Jotindra Steel & Tubes Limited, hence, all the transaction related there to have been recorded in the financial statements of the said co- applicant. The installments (Principal) due within the period of next 12 months are Rs. 20,07,552/- (31.03.2017 Rs.17,99,334/-).

(b) Term Loan from Kotak Mahindra Bank Limited

Loan is secured by way of exclusive charge on Property owned by the company bearing Property measuring 2.3375 acres or 18 Kanal, 14 Marla, out of khasra nos. 25/1/2/1 (3K-09M), 25/10/2 (7K-05M), 25/11/1 (7K-15M), 25/19/2/2 (0K-5M), (Part of property together bearing address 14/2 Mathura Road) revenue estate of Mewla Maharajpur, Tehsil and District Faridabad, Haryana, Lien over Fixed deposits of Rs. 24,22,500/- and personal guarantee of Mr. Akhil Kumar Sureka & Mr. Vishnu Kumar Sureka, director of the company and Mr. Navneet Kumar Sureka, Relative of directors of the company and letter of comfort from group company Mauria Udyog Limited. The Principal due within the period of next 12 months are Rs. 1,15,65,466.92 (31.03.2017 Rs.1,00,64,088.90/-).

(c) Term Loan from SIDBI

(i) First Loan is secured by way of first charge on Property owned by the company bearing its address as Khewat No.119/120, Khatoni No. 145 Kila No. 43/11(8-0), Kila 1, Mewla Maharajpur (Now Sector-45, Rail Vihar) Faridabad, Haryana and personal guarantee of Mr. Akhil Kumar Sureka and Mr. Vishnu Kumar Sureka. The Principal due within the period of next 12 months are Rs.1,78,20,000 (31.03.2017 Rs.1,78,20,000/-).

(ii) Second Loan is secured by way of extended charge on Property owned by the company bearing its address as Khewat No.119/120, Khatoni No. 145 Kila No. 43/11(8-0), Kila 1, Mewla Maharajpur (Now Sector-45, Rail Vihar) Faridabad, Haryana and personal guarantee of Mr. Akhil Kumar Sureka and Mr. Vishnu Kumar Sureka. The Principal due within the period of next 12 months are Rs. 64,44,000/- (31.03.2017 Rs. 64,44,000/-).

(d) Term Loan from IndiaBulls Housing Finance Limited

(i) Includes a joint loan in the name of M/s. Sri Narayan Rajkumar Merchants Ltd., Mr. Akhil Kumar Sureka, Mr. Vishnu Kumar Sureka, and Jotindra Steel & Tubes Ltd., all are Co-applicant. The loan is secured by way of equitable mortgage of Property at Plot No. 152, Prakash Industrial Estate, G.T. Road, Ghaziabad-201001 owned by M/s. Sri Narayan Rajkumar Merchants Ltd, and also personal guarantee of Mr. Akhil Kumar Sureka, Managing Director & Mr. Vishnu Kumar Sureka, Since the loan was disbursed to/and utilised by the co-applicant M/s Jotindra Steel & Tubes Limited, hence, all the transaction related there to have been recorded in the financial statements of the said co- applicant. The principal Installments due within the period of next 12 months are Rs.13,75,849.43/- (31.03.2017 Rs.12,03,007.94/-).

(ii) Includes loans secured by way of equitable mortgage of Residential Property at 1225 - P, Sector-14, Faridabad owned by M/s Quality synthetics Industries Limited, personal guarantee of Mr. Akhil Kumar Sureka, Managing Director & Mr. Vishnu Kumar Sureka and Corporate Guarantee of M/s Quality synthetics Industries Limited,. The principal installments due within the period of next 12 months are Rs.25,39,792.90/- (31.03.2017 Rs. 22,42,809/-).

(iii) Includes loans secured by way of equitable mortgage of Residential Property at 1st floor & Basement No.II, Polt No. 21, Block III, Eros Garden Colony, Faridabad-122901 owned by M/s Udayanchal leasng & Export Limited, personal guarantee of Mr. Akhil Kumar Sureka, Managing Director & Mr. Vishnu Kumar Sureka and Corporate Guarantee of M/s Udayanchal leasng & Export Limited,.The principal installments due within the period of next 12 months are Rs.17,10,250.23 (previous year Rs. 15,25,294.08/-).

(e) The Auto Loans and Equipment Loans from HDFC Bank, ICICI Bank, Kotak Mahindra Prime Limited, Axis Bank Daimler financial & HDB Financial Services Ltd. are secured against the hypothecation of the vehicles/Equipments financed by the said banks.

20 Provisions

| | Non Current | | | Current | |
|------------------------------------|-------------------------|-------------------------|------------------------|-------------------------|------------------------|
| | As at March 31, 2017 | As at March 31, 2017 | As at April 1, 2016 | As at March 31, 2017 | As at April 1, 2016 |
| Employee benefit provisions | | | | | |
| Provision for gratuity | 14,25,033 | 12,31,421 | 17,41,866 | 7,26,000 | 6,05,900 |
| Provision for leave benefits | 68,919 | 63,659 | 1,34,887 | 96,112 | 92,147 |
| Othe provisions | | | | | |
| Provision for income tax | - | - | - | 5,97,06,907 | 5,62,72,167 |
| | 14,93,952 | 12,95,080 | 18,76,753 | 6,05,29,019 | 5,69,70,214 |
| | | | | | 4,66,25,545 |

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

21 Income tax

Profit or loss section

Current income tax:

Current tax expenses

34,58,207

1,44,71,763

Deferred tax:

Relating to origination and reversal of temporary differences

(2,02,49,032)

8,52,615

Income tax expense reported in the statement of profit or loss

(1,67,90,825)

1,53,24,378

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Accounting profit before income tax

At India's statutory income tax rate of 33.063%

77,49,057

1,48,36,718

Impact of book depreciation disallowed under Income Tax

93,34,892

89,44,432

Impact of depreciation as per Income Tax Act

(1,17,26,996)

(1,28,94,242)

Impact of other allowances/ disallowances/ adjustment to book profit

(6,42,331)

(12,85,997)

Availment/ Utilisation of Mat Credit

58,207

48,70,851

Deferred tax asset not created on carry forward losses in excess of deferred tax liability on other components

Total tax expense

47,72,828

1,44,71,763

Effective Income Tax rate

20.36

31.29

Deferred tax

Deferred tax relates to the following:-

Accelerated depreciation for tax purposes

As at

March 31, 2018

1,07,23,626

As at

March 31, 2017

3,24,91,406

As at

April 1, 2016

3,48,87,218

Others

-

-

-

Total deferred tax liabilities

1,07,23,626

3,24,91,406

3,48,87,218

Decreased depreciation

Employee benefit provisions

Others

Business losses and unabsorbed depreciation

Total deferred tax assets

(8,14,302)

7,04,446

6,70,063

-

-

32,82,810

(8,14,302)

7,04,446

39,52,873

Net deferred tax asset / liabilities

1,15,37,928

3,17,86,960

3,09,34,345

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

22 Short term borrowings

Secured

Loans repayable on demand from banks*

- Working capital loan

38,31,86,510

30,85,02,257

-

- Letter of credit

18,54,00,000

18,95,81,792

-

Unsecured

Loans repayable on demand from banks

56,85,86,510

49,80,84,049

-

* Working capital loans from State Bank of Patiala is secure by way of Hypothecation of entire current assets of the company both present and future, First Charge on the Fixed assets of the Company, The above loan is also secured by (i) equitable mortgage of Plot No. 231, Block-B, Okhla Ind. Area, New Delhi in the name of the company, (ii) equitable mortgage of Plot No. C-200 measuring 4963.09 sq. mtrs. situate at Bulandshahr Road Industrial Area, Ghaziabad in the name of the company and (iii) Pledge of 55,193 shares of the company in the name of Promoter Directors of the company and the personal guarantee of Shri Navneet Kumar Sureka, Shri Akhil Kumar Sureka and Shri Vishnu Kumar Sureka, directors of the company.

During the year 2016-17 company has availed one time Non Fund Based Limit of Rs. 12 Crores for which the company has mortgaged exclusive by way of equitable mortgage of Land measuring 24K, 13M i.e 14913.25 sq.yds (being portion of total 117K-1M plot i.e 70815.25 sq. yds) comprised under Khasra No. 30/1, 30/2/1, 30/9, 30/10/1 and 25/22/1 situated in the Revenue Estate of Mewla Maharajpur, Tehsil and District Faridabad now known as 14/3 Mathura Road, Faridabad. The adhoc Non Fund Based Limit has already been surrendered during financials year 2017-18.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

23 Trade payables

Total outstanding dues of micro enterprises and small enterprise
Total outstanding dues of others

| As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|-------------------------|-------------------------|------------------------|
| - | - | - |
| 77,39,77,480 | 71,93,41,548 | 91,22,32,623 |
| 77,39,77,480 | 71,93,41,548 | 91,22,32,623 |

24 Other financial liabilities - Current

Current maturities of long-term debt (refer note 19)
Interest accrued & due on term
loans
Book overdraft
Dues to employees
Other payables

| As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|-------------------------|-------------------------|------------------------|
| 7,73,44,469 | 9,59,87,738 | 4,67,35,286 |
| 4,67,410 | 6,43,325 | 5,63,318 |
| 4,64,587 | - | 14,45,883 |
| 6,35,699 | 45,48,639 | 2,35,971 |
| 59,105 | 46,870 | 43,179 |
| 7,89,71,270 | 10,12,26,572 | 4,90,23,637 |

25 Other current liabilities

Advance from customers
Deposits- Others
Statutory dues

| As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|-------------------------|-------------------------|------------------------|
| 11,31,68,379 | 28,20,13,283 | 59,45,25,015 |
| 52,02,500 | 45,00,000 | 45,00,000 |
| 3,86,41,647 | 1,98,88,970 | 1,69,27,055 |
| 15,70,12,526 | 30,64,02,253 | 61,59,52,070 |

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

| | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| 26 Revenue from operations | | |
| Sale of products | | |
| Sales/ Revenue from Operations | 3,51,99,33,703 | 2,66,21,76,956 |
| Less: Goods & Service tax recovered | (33,61,71,484) | - |
| Less: Excise Duty Recovered | (3,09,32,960) | (15,33,97,484) |
| | 3,15,28,29,259 | 2,50,87,79,472 |
| 27 Other income | | |
| Interest income | | |
| Interest Income | 5,08,30,808 | 14,38,64,488 |
| Other interest income | 1,28,707 | 1,19,173 |
| Other non-operating income | | |
| Rental income | | |
| Rent from Sub- Lease & storage charges. | 1,73,02,500 | 59,00,000 |
| Rent from leasing of property | 1,42,61,875 | 1,17,07,500 |
| Income from claims received | 1,86,21,021 | 1,70,33,600 |
| Profit on sale of investments | - | 7,50,000 |
| Profit from partnership firm | 2,23,096 | 3,21,172 |
| Professional charges received | 32,50,000 | - |
| Excess provision written back | 10,96,179 | - |
| Gain on fair valuation of mutual funds | 37,310 | 86,354 |
| Brokerage Commission | - | 2,53,655 |
| Miscellaneous income | 39,885 | 82,870 |
| | 10,57,91,381 | 18,01,18,812 |
| 28 Cost of Raw Material consumed | | |
| Raw material consumed | | |
| Inventory at the beginning of the year | 57,66,277 | 1,12,56,254 |
| Add: Purchases during the year | 1,24,37,02,161 | 1,17,59,14,920 |
| | 1,24,94,68,438 | 1,18,71,71,174 |
| Less: Inventory at the end of the year | (97,66,155) | (57,66,277) |
| | 1,23,97,02,283 | 1,18,14,04,897 |
| 29 Changes in inventories of finished goods, work-in-progress and stock-in-trade | | |
| Inventory at the beginning of the year | | |
| Finished goods | 8,85,52,559 | 15,41,12,790 |
| Work in progress | 5,40,27,942 | 5,40,27,942 |
| Scrap | 12,60,211 | 9,20,241 |
| Stock in transit | - | 6,03,29,057 |
| | 14,38,40,712 | 26,93,90,030 |
| Inventory at the end of the year | | |
| Finished goods | 14,28,03,043 | 8,85,52,559 |
| Work in progress | 5,45,81,942 | 5,40,27,942 |
| Scrap | 11,72,203 | 12,60,211 |
| Stock in transit | - | - |
| | 19,85,57,188 | 14,38,40,712 |
| Decrease/(Increase) in inventories | (5,47,16,476) | 12,55,49,318 |

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

| | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| 30 Employee benefits expense | | |
| <i>(Including Director's emoluments)</i> | | |
| Salaries, wages and bonus | 1,70,83,563 | 2,13,92,243 |
| Contribution to provident and other funds | 10,76,758 | 8,12,328 |
| Gratuity expense | 4,29,513 | 2,47,826 |
| Staff welfare expenses | 67,144 | 3,17,103 |
| | 1,86,56,978 | 2,27,69,500 |
| 31 Finance costs | | |
| Interest on | | |
| - Term loan from banks | 8,18,73,055 | 5,88,88,588 |
| - Others | 45,67,127 | 3,93,20,567 |
| Bank charges (including LC discounting charges) | 2,14,59,359 | 2,58,62,256 |
| | 10,78,99,541 | 12,40,71,411 |
| 32 Manufacturing expense | | |
| Stores, spares and packing material consumed | 37,68,523 | 59,85,299 |
| Power & fuel | 4,12,81,788 | 4,73,78,784 |
| | 4,50,50,311 | 5,33,64,083 |
| 33 Selling and distribution expense | | |
| Freight & forwarding (net) | 1,47,41,280 | 4,32,23,951 |
| Brokerage, commission & incentives (net) | 7,13,411 | 10,02,737 |
| Advertisement & publicity | 30,755 | 1,71,065 |
| Sales promotion expenses | 1,44,561 | 14,57,076 |
| | 1,56,30,007 | 4,58,54,829 |
| 34 Administrative and general expenses | | |
| Rent, rates and taxes | 1,78,88,596 | 2,08,15,059 |
| Insurance | 14,59,693 | 16,76,619 |
| Repairs and maintenance:- | | |
| - Plant and machinery | 9,78,022 | 2,79,243 |
| - Buildings | - | 55,000 |
| - Others | 30,750 | 7,11,137 |
| Travelling and conveyance | 3,86,722 | 20,84,041 |
| Vehicle expenses | 8,56,924 | 9,19,273 |
| Communication costs | 7,24,176 | 16,57,954 |
| Legal and professional fees | 19,46,733 | 28,04,429 |
| Payment to auditors' (refer details below) | 1,00,000 | 1,32,100 |
| Sundry balances written off | 3,98,527 | 24,92,844 |
| Claims recoverable written off | - | 5,40,32,334 |
| Provision for doubtful receivables | 2,46,964 | 16,79,773 |
| Licence fee | 1,71,405 | - |
| Loss on sale of assets (net) | 32,38,357 | - |
| Loss on fair valuation of mutual funds | 11,248 | - |
| Foreign exchange loss (net) | 75,86,561 | 15,60,031 |
| Dismantling charges | 1,80,000 | 2,85,000 |
| Directors Meeting Fee | 12,000 | 11,000 |
| Other miscellaneous expense | 33,98,780 | 34,28,524 |
| | 3,96,15,459 | 9,46,24,361 |

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

Payment to auditors'

As auditors':

- Statutory audit fee
- Tax audit fee
- Cost audit fee

| | March 31, 2018 | March 31, 2017 |
|--|-----------------------|-----------------------|
| | 25,000 | 65,000 |
| | 15,000 | 15,000 |
| | 60,000 | 52,100 |
| | 1,00,000 | 1,32,100 |

Net of service tax input credit available to the Company.

35 Statement of other comprehensive income

(i) Items that will not be reclassified to profit or loss

Remeasurements of the defined benefit plans

| | | |
|--|-----------------|-----------------|
| | 1,15,801 | 1,52,371 |
| | 1,15,801 | 1,52,371 |

(ii) Income tax relating to items that will not be reclassified to profit or loss

| | | |
|--|-----------------|-----------------|
| | (34,740) | (45,711) |
| | (34,740) | (45,711) |

36 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by

Earnings per equity share:

Basic

Diluted

| | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|--|--|--|
| | 8.27 | 6.37 |
| | 8.27 | 6.37 |

Profit/(Loss) after tax

Profit/(Loss) for calculation of basic and diluted EPS

| | | |
|--|--------------------|--------------------|
| | 4,03,09,132 | 3,10,39,065 |
| | 4,03,09,132 | 3,10,39,065 |

Weighted average number of equity shares for basic EPS

Weighted average number of equity shares adjusted for the effect of dilution*

| | Number | Number |
|--|---------------|---------------|
| | 48,76,174 | 48,76,174 |
| | 48,76,174 | 48,76,174 |

*There have been no transactions involving equity shares or potential equity shares during the reporting period.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

37 Gratuity and other post employment benefit plans

(a) Defined benefit plan

(i) Gratuity

The Company has a defined benefit for gratuity. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company provides for the liability in its books of accounts based on the actuarial valuation.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

The principal assumptions used in determining gratuity benefit obligations for the Company's plan are shown below:

| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
|-------------------------------|----------------|----------------|---------------|
| Discount rate | 7.75% | 7.50% | 8.00% |
| Increase in compensation cost | 5.00% | 5.00% | 5.00% |
| Attrition rate | 2.00% | 2.00% | 2.00% |

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Changes in the present value of the defined benefit obligation are as

| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
|---|------------------|------------------|------------------|
| Opening defined benefit obligation | 18,37,321 | 17,41,866 | 18,23,264 |
| Interest cost | 1,42,392 | 1,30,640 | 1,45,861 |
| Current service cost | 1,44,397 | 1,17,186 | 1,16,676 |
| Past service cost | 1,42,724 | - | - |
| Benefits paid | - | - | - |
| Re-measurement (or Actuarial) (gain) / loss | (1,15,801) | (1,52,371) | (3,43,935) |
| Closing defined benefit obligation | 21,51,033 | 18,37,321 | 17,41,866 |
| Current Liability | 14,25,033 | 12,31,421 | 17,41,866 |
| Non-Current Liability | 7,26,000 | 6,05,900 | - |

Balance Sheet

| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
|---|------------------|------------------|------------------|
| Present value of defined benefit obligation | 21,51,033 | 18,37,321 | 17,41,866 |
| Fair value of plan assets | - | - | - |
| Plan asset / (liability) | 21,51,033 | 18,37,321 | 17,41,866 |

Expenses recognised in Statement of profit and loss

| | March 31, 2018 | March 31, 2017 |
|-------------------------------------|-----------------|-----------------|
| Interest cost on benefit obligation | 1,42,392 | 1,30,640 |
| Current service cost | 1,44,397 | 1,17,186 |
| Past service cost | 1,42,724 | - |
| Net benefit expense | 4,29,513 | 2,47,826 |

Expenses recognised in Other comprehensive income

| | March 31, 2018 | March 31, 2017 |
|---|-------------------|-------------------|
| Actuarial (gains) / losses arising from: | | |
| Change in financial assumptions | (1,56,696) | 48,100 |
| Change in experience adjustments | 40,895 | (2,00,471) |
| Total expense recognised in Other comprehensive income | (1,15,801) | (1,52,371) |

A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

| Sensitivity Level | Discount rate | | Salary growth rate | |
|--|---------------|-------------|--------------------|-------------|
| | 1% decrease | 1% increase | 1% decrease | 1% increase |
| Increase/ (decrease) in defined benefit obligation | 1,05,535 | (88,659) | (91,540) | 1,07,430 |

| Sensitivity Level | Attrition rate | |
|--------------------------------------|----------------|-------------|
| | 1% decrease | 1% increase |
| Impact on defined benefit obligation | (27,979) | 24,766 |

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 is as shown below:

| Sensitivity Level | Discount rate | | Salary growth rate | |
|--|---------------|-------------|--------------------|-------------|
| | 1% decrease | 1% increase | 1% decrease | 1% increase |
| Increase/ (decrease) in defined benefit obligation | 1,02,129 | (84,253) | (86,808) | 1,03,686 |

| Sensitivity Level | Attrition rate | |
|--|----------------|-------------|
| | 1% decrease | 1% increase |
| Increase/ (decrease) in defined benefit obligation | (27,630) | 24,225 |

Sensitivities due to mortality are not material & hence impact of change not calculated.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

| | March 31, 2018 | March 31, 2017 |
|--|----------------|----------------|
| Expected Contribution during next period | 1,57,894 | 1,30,538 |

The average duration of the defined benefit plan obligation at the end of the reporting period is 19 years (Previous Year - 21 years)

ii) Leave encashment

The principal assumptions used in determining leave encashment obligation for the Company's plan are shown below:

| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
|-------------------------------|----------------|----------------|---------------|
| Discount rate | 7.75% | 7.50% | 8.00% |
| Increase in compensation cost | 5.00% | 5.00% | 5.00% |
| Attrition Rate | 2.00% | 2.00% | 2.00% |

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

| Changes in the present value of the defined benefit | March 31, 2018 | March 31, 2017 | April 1, 2016 |
|---|-----------------|-----------------|-----------------|
| Opening defined benefit obligation | 1,55,806 | 1,34,887 | 1,56,825 |
| Interest cost | 12,075 | 10,117 | 12,546 |
| Current service cost | 9,876 | 10,042 | 9,226 |
| Benefits paid | - | - | - |
| Re-measurement (or Actuarial) (gain) / loss | (12,726) | 760 | (43,710) |
| Closing defined benefit obligation | 1,65,031 | 1,55,806 | 1,34,887 |
| Current Liability | 68,919 | 63,659 | 1,34,887 |
| Non-Current Liability | 96,112 | 92,147 | - |

| Balance Sheet | March 31, 2018 | March 31, 2017 | April 1, 2016 |
|---|-----------------|-----------------|-----------------|
| Present value of defined benefit obligation | 1,65,031 | 1,55,806 | 1,34,887 |
| Fair value of plan assets | - | - | - |
| Plan asset / (liability) | 1,65,031 | 1,55,806 | 1,34,887 |

| Expenses recognised in Statement of profit and loss | March 31, 2018 | March 31, 2017 |
|---|----------------|----------------|
| Interest cost on benefit obligation | 12,075 | 10,117 |
| Current service cost | 9,876 | 10,042 |
| Actuarial (gains) / losses | (12,726) | 760 |
| Net benefit expense | 9,225 | 20,919 |

A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

| Sensitivity Level | Discount rate | | Salary growth rate | |
|--|---------------|-------------|--------------------|-------------|
| | 1% decrease | 1% increase | 1% decrease | 1% increase |
| Increase/ (decrease) in defined benefit obligation | 14,975 | (12,504) | (12,908) | 15,244 |

| Sensitivity Level | Attrition rate | |
|--------------------------------------|----------------|-------------|
| | 1% decrease | 1% increase |
| Impact on defined benefit obligation | (4,313) | 3,848 |

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 is as shown below:

| Sensitivity Level | Discount rate | | Salary growth rate | |
|--|---------------|-------------|--------------------|-------------|
| | 1% decrease | 1% increase | 1% decrease | 1% increase |
| Increase/ (decrease) in defined benefit obligation | 15,840 | (13,082) | (13,478) | 16,080 |

| Sensitivity Level | Attrition rate | |
|--|----------------|-------------|
| | 1% decrease | 1% increase |
| Increase/ (decrease) in defined benefit obligation | (4,328) | 3,833 |

Sensitivities due to mortality are not material & hence impact of change not calculated.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

| | March 31, 2018 | March 31, 2017 |
|--|----------------|----------------|
| Expected contribution during next period | 1,123 | 1,301 |

The average duration of the defined benefit plan obligation at the end of the reporting period is 21 years (Previous Year - 22 years)

(b) Defined contribution plan -

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss

| | March 31, 2018 | March 31, 2017 |
|---|------------------|-----------------|
| Employers' Contribution to Employee's Provident Fund | 4,65,979 | 2,93,000 |
| Employers' Contribution to Employee's Family Pension Fund | 3,72,704 | 3,69,884 |
| Employers' Contribution to Employee's State Insurance | 2,38,075 | 1,49,444 |
| | 10,76,758 | 8,12,328 |

38 Commitments and contingencies

| | March 31, 2018 | March 31, 2017 |
|--|----------------|----------------|
| (i) Letters of Guarantee issued by Banks | 22,98,750 | 22,98,750 |
| (ii) Letters of Credit, Buyers Credit, issued by Banks | 1,23,00,000 | - |
| (iii) Sales Tax Demand Pending appeals | - | - |
| (iv) Claims against the Company not acknowledged as debts. | Uncertained | Uncertained |

| Name of the Statute | Amount | Nature of dues | Forum Where Dispute is Pending |
|--|-----------------|----------------|--|
| Cenvat credit Rule 2004 (Rule 2 & 3 of Cenvat Credit Rule) | 4,39,998 NIL | Service Tax | Commissioner Appeals CGST, Gurugram |

39 Claims recoverable includes

a) The United States District Court of Southern District of New York has issued a summons in the name of the company on a third party claim in matter of Jeremny levin and Dr. Luile Levin v/s Bank of New York , JP Morgan Chase & Co. Societ General and Citi Bank. As per the opinion of the management there shall be no financial obligation on the company under this case.

b) INR 7,16,292 Regarding cash siezed by the Income Tax Department u/s 132 (6) of the Income Tax Act, the company has writen that the same may be adjusted aqainst demand against the company.

c) INR10,69,82,127 represent Claim lodged with United India Insurance company Ltd. for goods damaged in Ship MV Khalizia III, sunk near Mumbai , which was carrying the goods imported/purchased on high seas basis. On Rejection of the claim by the said Insurance company, the matter is now pending at National Consumer Disputes Redresal Commission for further adjudication. the amount also includes Rs.3,47,00,855,represent amount of bank guarantee encashed by the Order of High Court of Mumbai in favour of M/s SMIT Singapore Pte Limited, who had done the salvage work of the ship.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

40 Joint venture project

Company has entered into a collaboration agreement for development of company's land and adjoining land belonging to director of the company and has applied for grant of license for development of affordable group housing on that land. The cost incurred has been kept as Construction Work in Progress.

41 Operating segments

The management reviews the performance of their products line-up. However all the products are similar in nature. Thus, the management has considered aggregating all the products as one reportable operating segment. Accordingly, the figures appearing in these financial statements relate to the single operating segment.

The company operates in India and therefore caters to the needs of the domestic market. Therefore, there is only one geographical segment and hence, geographical segment information is not required to be disclosed.

42 Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio less than 55%. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

| Particulars | March 31, 2018 | March 31, 2017 | April 1, 2016 |
|---------------------------------------|-----------------------|-----------------------|-----------------------|
| Borrowings | 1,37,24,94,643 | 1,47,19,14,531 | 48,26,68,596 |
| Current maturities of long term debt | 7,73,44,469 | 9,59,87,738 | 4,67,35,286 |
| Trade payables | 77,39,77,480 | 71,93,41,548 | 91,22,32,623 |
| Interest payable | 4,67,410 | 6,43,325 | 5,63,318 |
| Less: Cash and cash equivalents | 42,75,340 | 29,79,608 | 5,68,15,391 |
| Net debt (A) | 2,22,00,08,662 | 2,28,49,07,534 | 1,38,53,84,431 |
| Total equity (including other equity) | 2,26,06,81,347 | 2,22,03,72,215 | 2,18,93,33,150 |
| Capital and net debt (B) | 4,48,06,90,010 | 4,50,52,79,749 | 3,57,47,17,581 |

Gearing ratio [(A)/(B)]

50%

51%

39%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

43 Operating lease

(i) Assets given on lease

- Minimum Lease Payments Receivables

The company has given certain assets on operating lease and lease rent (income), income for which depends on the usage of such assets. As such ascertaining future rental receivable is not feasible.

(ii) Assets taken on lease

The Company has taken certain assets on non cancelable operating lease and lease rent charged to Statement of Profit & Loss amounts to Rs. 15,396,780. The details of future minimum lease payments is as under :

| Particulars | March 31, 2018 | March 31, 2017 |
|--|--------------------|--------------------|
| Not later than 1 year | 1,54,44,000 | 1,51,21,780 |
| Later than 1 year but not later than 5 years | 1,54,44,000 | 3,00,48,000 |
| Later than 5 years | - | - |
| Total | 3,08,88,000 | 4,51,69,780 |

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

44 Related party relationships, transactions and balances

I. Related parties where control exists

A. Subsidiary:

Ozone GSP Infratech (Partnership Firm)

B. Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence:

- 1 Sunav Industries Private Limited
- 2 VI Estates Private Limited
- 3 Quality Synthetics Industries Ltd.
- 4 Sarvome Infrastructure Projects Private Limited
- 5 Sarvome Developers Private Limited
- 6 Sri Narayan Rajkumar Merchants Limited
- 7 Mauria Udyog Ltd

C. Enterprises owned or significantly influenced by relative of individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence:

- | | |
|--|---|
| 1 Bhama Properties Pvt Ltd | 21 Ram Forgings Pvt.Ltd. |
| 2 Bihariji Cylinders Pvt, Ltd, | 22 S.K.D Estates Pvt Ltd |
| 3 Bihariji Fancy Fibre & Fabrics Ltd. | 23 Saroj Metal Works (P) Ltd. |
| 4 Bihariji Ispat Udyog Limited | 24 Sarvome Buildwell Pvt Ltd. |
| 5 Bihariji Solar Power Pvt. Ltd. | 25 Sarvome Developers Pvt Ltd |
| 6 Bihariji Vidyut Pvt. Ltd. | 26 Sarvome Estate Pvt Ltd. |
| 7 Chakra Exports Pvt Ltd | 27 Sarvome Housing Projects Pvt Ltd. |
| 8 Deepak Hotels Pvt Ltd | 28 Sarvome Housing Pvt Ltd. |
| 9 Dwarakadhish Construction Pvt.Ltd. | 29 Sarvome Infrastructure Projects Pvt Ltd |
| 10 Eurospa Terrytowel (P) Ltd. | 30 Sarvome Real Estate Developers Pvt Ltd. |
| 11 Jst Engineering Services Ltd. | 31 Sri Narayan Raj Kumar Merchants Ltd.(Loan) |
| 12 Jst Solar Energy Pvt. Ltd. | 32 Sri Narayan Steel Industries Pvt.Ltd. |
| 13 Jst Solar Vidyut Pvt. Ltd. | 33 Sunav Industries Pvt Ltd |
| 14 Magnum Products Pvt Ltd | 34 Sureka Tubes Industries Pvt.Ltd. |
| 15 Mauria Power Generation Pvt. Ltd. | 35 Udayanchal Leasing & Exports Ltd |
| 16 Mauria Power Projects Pvt. Ltd. | 36 V.K.Flats Pvt.Ltd. |
| 17 Mauria Solar Pvt. Ltd. | 37 V.L. Estates Pvt. Ltd. |
| 18 Mauria Udyog Limited | 38 Vaishnodevi Properties Pvt.Ltd. |
| 19 Ozone Gsp Infratech | 39 Vee Em Infocentre Pvt. Ltd. |
| 20 Quality Synthetics Industries Limited | 40 Vee Kay Surgicals Pvt. Ltd. |
| 41 JST Solar Energy Pvt. Ltd.* | |
| 42 JST Infrastructure Private Limited* | |

*Note: The company has significant holding in these entities and are liable for consolidation. However, the consolidation has not been done as the financials of such entities were not available.

II. Key managerial personnel

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

| | |
|------------------------|-------------------------|
| Mr. Akhil Kumar Sureka | Managing Director |
| Mr. V.K. Sureka | Director |
| Mr. O.P. Bhardwaj | Director |
| Mr. Govind Pal Singh | Chief Financial Officer |

III. Relatives of Key Management Personnel

Mrs. Prem Lata Sureka

| Particulars | Where Control Exist | | Key Managerial Personnel | | Relatives of Key | | Total | |
|--|-----------------------|-----------------------|--------------------------|--------------------|------------------|------------------|-----------------------|-----------------------|
| | 31-Mar-18 | 31-Mar-17 | 31-Mar-18 | 31-Mar-17 | 31-Mar-18 | 31-Mar-17 | 31-Mar-18 | 31-Mar-17 |
| Transactions with related parties* | | | | | | | | |
| Purchase of goods | 26,15,25,904 | 9,04,97,799 | - | - | - | - | 26,15,25,904 | 9,04,97,799 |
| Service charges paid | 21,10,500 | 20,68,500 | - | - | - | - | 21,10,500 | 20,68,500 |
| Service charges income | - | - | - | - | - | - | - | - |
| Sale of goods & fixed assets | 15,51,23,381 | 3,36,17,774 | - | - | - | - | 15,51,23,381 | 3,36,17,774 |
| Rent paid | 15,81,150 | 17,51,330 | - | - | 15,56,250 | 17,23,750 | 31,37,400 | 34,75,080 |
| Rent received | 60,18,000 | 69,00,000 | - | - | - | - | 60,18,000 | 69,00,000 |
| Interest on loan received | 77,673 | 8,29,977 | - | - | - | - | 77,673 | 8,29,977 |
| Interest on loan paid | 6,85,118 | 4,70,365 | 6,61,821 | 28,630 | - | - | 13,46,939 | 4,98,995 |
| Loans & advances given | 65,10,07,719 | 82,68,47,863 | - | 32,72,422 | - | - | 65,10,07,719 | 83,01,20,285 |
| Loans & advances given received back | 76,54,90,561 | - | - | 32,72,422 | - | - | 76,54,90,561 | 32,72,422 |
| Loans & advances taken | 48,02,42,650 | 34,56,74,804 | - | 91,77,578 | - | - | 48,02,42,650 | 35,48,52,382 |
| Loans taken repaid | 42,67,03,281 | 34,42,74,804 | 8,50,000 | 39,77,578 | - | - | 42,75,53,281 | 34,82,52,382 |
| Advances given received back | - | 66,64,02,000 | - | - | - | - | - | 66,64,02,000 |
| Reimbursement paid/received | 1,56,92,467 | 1,90,33,121 | - | 3,19,410 | - | 54,300 | 1,56,92,467 | 1,94,06,831 |
| Investment in Associates/ Partnerships/ JVs/ Subsidiaries | - | 2,01,29,000 | - | - | - | - | - | 2,01,29,000 |
| Share of profit from partnership | 2,23,096 | 3,21,172 | - | - | - | - | 2,23,096 | 3,21,172 |
| Remuneration Paid | - | - | 31,53,246 | 29,71,950 | - | - | 31,53,246 | 29,71,950 |
| Board meeting fees | - | - | 1,500 | 1,500 | - | - | 1,500 | 1,500 |
| | - | - | - | - | - | - | - | - |
| Total | 2,76,64,81,500 | 2,35,88,18,509 | 46,66,567 | 2,30,21,490 | 15,56,250 | 17,78,050 | 2,77,27,04,317 | 2,38,36,18,049 |

* Note: The company has given corporate guarantee of Rs. 35.00 Crores to State Bank of India (Formerly known as State Bank of Patiala), for the loan availed by M/s Ozone Gsp Infratech, a firm in which JST holds 95% of the Capital, and the Company has filed necessary Form MGT-14 on 16.02.2016 and also charge has been filed with ROC on 14.09.2017 (Effective Date 18.01.2016)

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

46 Financial Instrument Measurement and Disclosures

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:-

a. Fair value of financial assets:

| | Carrying Value | | | Fair Value | | |
|--|----------------|----------------|---------------|----------------|----------------|---------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| FINANCIAL ASSETS | | | | | | |
| Financial assets measured at fair value through profit and loss | | | | | | |
| Investment in mutual funds | 9,50,000 | 9,50,000 | 7,00,000 | 10,28,836 | 10,02,774 | 6,66,420 |

| | Carrying Value | | | Fair Value | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| FINANCIAL ASSETS | | | | | | |
| Financial assets measured at amortised cost | | | | | | |
| Security deposits to others | 20,00,000 | 20,00,000 | 20,00,000 | 18,89,378 | 16,11,313 | 14,92,141 |
| Security deposits to government | 34,53,098 | 28,83,098 | 29,62,598 | 33,03,740 | 28,83,098 | 29,62,598 |
| Investment in government securities | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Investment in equity instruments | 3,00,000 | 3,00,000 | 31,35,000 | 3,00,000 | 3,00,000 | 31,35,000 |
| Investment in partnership firm | 22,20,65,115 | 22,18,42,019 | 20,15,56,847 | 22,20,65,115 | 22,18,42,019 | 20,15,56,847 |
| Loans to related parties | 15,55,43,381 | 27,23,89,167 | 10,94,16,258 | 15,55,43,381 | 27,23,89,167 | 10,94,16,258 |
| Loans to other parties | 57,24,20,096 | 79,65,39,957 | 4,58,14,297 | 25,00,000 | 25,00,000 | 25,00,000 |
| Trade receivables | 1,12,97,96,579 | 90,88,13,666 | 1,07,08,11,016 | 1,12,97,96,579 | 90,88,13,666 | 1,07,08,11,016 |
| Cash and cash equivalents | 42,75,340 | 29,79,608 | 3,15,72,138 | 42,75,340 | 29,79,608 | 5,68,15,391 |
| Other bank balances | 2,47,36,522 | 8,53,86,437 | 15,97,16,613 | 2,47,36,522 | 8,53,86,437 | 13,44,73,359 |

b. Fair value of financial liabilities:

| | Carrying Value | | | Fair Value | | |
|---|----------------|----------------|---------------|----------------|----------------|---------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| FINANCIAL LIABILITIES | | | | | | |
| Financial liabilities measured at amortised cost | | | | | | |
| Term loan from banks | 24,45,86,152 | 33,16,83,302 | 20,50,51,204 | 24,45,86,152 | 33,16,83,302 | 20,50,51,204 |
| Loan from Companies (related party) | 5,36,04,206 | 44,03,313 | 25,79,985 | 5,36,04,206 | 44,03,313 | 25,79,985 |
| Loan from Companies interest free | 57,77,77,049 | 72,81,92,049 | 32,14,58,904 | 57,77,77,049 | 72,81,92,049 | 32,14,58,904 |
| Loan from Directors | 52,85,195 | 55,39,556 | 3,13,789 | 52,85,195 | 55,39,556 | 3,13,789 |
| Loans repayable on demand from banks | 56,85,86,510 | 49,80,84,049 | - | 56,85,86,510 | 49,80,84,049 | - |
| Trade payables | 77,39,77,480 | 71,93,41,548 | 91,22,32,623 | 77,39,77,480 | 71,93,41,548 | 91,22,32,623 |
| Other Current financial liabilities | 16,26,801 | 52,38,834 | 22,88,351 | 16,26,801 | 52,38,834 | 22,88,351 |

The management assessed that cash and cash equivalents, trade receivables, security deposits, loans to related parties and others, trade and other payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Security deposits- The security deposits have been fair valued based by applying DCF method using a discount rate representative of the Company's current rate of borrowings. They are classified as level 2 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including counterparty credit risk.

Fixed rate borrowings - The carrying value and fair value of fixed rate borrowings has been considered the same since the loans are for shorter period and interest rate approximates its fair value.

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

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

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

Specific valuation techniques used to value financial instruments include:

- (i) the use of quoted market prices or dealer quotes for similar instruments
- (ii) the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018

| | Date of valuation | Total | Fair value measurement using | | |
|---|-------------------|------------------|---|---|---|
| | | | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Financial assets | | | | | |
| Financial assets for which fair values are disclosed | | | | | |
| Financial asset measured at fair value through profit or loss account | | | | | |
| Investment in mutual funds | March 31, 2018 | 10,28,836 | 10,28,836 | - | - |
| Financial asset measured at amortised cost | | | | | |
| Security deposits | March 31, 2018 | 18,89,378 | - | 18,89,378 | - |

There have been no transfers among level 1 and level 2 during the year.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017

| | Date of valuation | Total | Fair value measurement using | | |
|---|-------------------|------------------|---|---|---|
| | | | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Financial assets | | | | | |
| Financial assets for which fair values are disclosed | | | | | |
| Financial asset measured at fair value through profit or loss account | | | | | |
| Investment in mutual funds | March 31, 2017 | 10,02,774 | 10,02,774 | - | - |
| Financial asset measured at amortised cost | | | | | |
| Security deposits | March 31, 2017 | 16,11,313 | - | 16,11,313 | - |

There have been no transfers among level 1 and level 2 during the year.

Quantitative disclosures fair value measurement hierarchy for assets as at April 1, 2016

| | Date of valuation | Total | Fair value measurement using | | |
|---|-------------------|------------------|---|---|---|
| | | | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Financial assets | | | | | |
| Financial assets for which fair values are disclosed | | | | | |
| Financial asset measured at fair value through profit or loss account | | | | | |
| Investment in mutual funds | April 1, 2016 | 6,66,420 | 6,66,420 | | |
| Financial asset measured at amortised cost | | | | | |
| Security deposits | April 1, 2016 | 14,92,141 | | 14,92,141 | |

There have been no transfers among level 1 and level 2 during the year.

Financial risk management objectives and policies

The Company's financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include security deposits, trade receivables, and cash and cash equivalents and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's management reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The financial instruments affected by market risk are its term loans from banks and financial institutions, foreign currency exposures and investments in mutual funds.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are constant. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations.

Assumptions made in calculating the sensitivity analysis - The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial liabilities held at March 31, 2018 and March 31, 2017.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's primarily has fixed interest rate loans, hence its exposure to the risk of changes in market interest rates shall not be material.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. However the Company does not deal in foreign currency, hence the exposure is limited.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, security deposits and other financial instruments.

Trade Receivables

Customer credit risk is managed by each unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored for any expected default in repayment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the financial statements. The Company does not hold collateral as security.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2017 and March 31, 2016 is the carrying amounts as illustrated in financial statements

Liquidity risk

Liquidity risks are managed by the Corporate Treasury. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and equity shares. The Company attempts to ensure that there is a balance between the timing of outflow and inflow of funds. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low since Company has access to a sufficient variety of sources of funding.

The Company is not subject to any restrictions on the use of its capital that could significantly impact its operations. In light of these facilities, the Company is not exposed to any liquidity risk.

Expected credit loss for trade receivables under simplified approach**As at March 31, 2018****Expected credit loss for trade receivables under simplified approach**

| Ageing | Not due | 0-90 days past due | 91-180 days past due | More than 180 days past due | Total |
|---|----------|---------------------|----------------------|-----------------------------|-----------------------|
| Gross carrying amount | - | 61,16,48,232 | 17,13,72,050 | 35,02,79,088 | 1,13,32,99,370 |
| Expected credit losses (Loss allowance provision) | - | - | - | (35,02,791) | (35,02,791) |
| Carrying amount of trade receivables (net of impairment) | - | 61,16,48,232 | 17,13,72,050 | 34,67,76,297 | 1,12,97,96,579 |

As at March 31, 2017**Expected credit loss for trade receivables under simplified approach**

| Ageing | Not due | 0-90 days past due | 91-180 days past due | More than 180 days past due | Total |
|---|----------|---------------------|----------------------|-----------------------------|---------------------|
| Gross carrying amount | - | 42,14,40,796 | 16,50,46,012 | 32,55,82,685 | 91,20,69,493 |
| Expected credit losses (Loss allowance provision) | - | - | - | (32,55,827) | (32,55,827) |
| Carrying amount of trade receivables (net of impairment) | - | 42,14,40,796 | 16,50,46,012 | 32,23,26,858 | 90,88,13,666 |

As at April 1, 2016**Expected credit loss for trade receivables under simplified approach**

| Ageing | Not due | 0-90 days past due | 91-180 days past due | More than 180 days past due | Total |
|---|----------|---------------------|----------------------|-----------------------------|-----------------------|
| Expected credit losses (Loss allowance provision) | - | 77,99,70,752 | 13,48,10,968 | 15,76,05,349 | 1,07,23,87,069 |
| | - | - | - | (15,76,053) | (15,76,053) |
| Carrying amount of trade receivables (net of impairment) | - | 77,99,70,752 | 13,48,10,968 | 15,60,29,296 | 1,07,08,11,016 |

Reconciliation of impairment of trade receivables

| | Total |
|---|------------------|
| Loss allowance on April 1, 2016 | 15,76,053 |
| Changes in loss allowance | 16,79,773 |
| Loss allowance on March 31, 2017 | 32,55,827 |
| Changes in loss allowance | 2,46,964 |
| Loss allowance on March 31, 2018 | 35,02,791 |

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

| Particulars | On demand | < 3 months INR | 3 to 12 months INR | 1 to 5 years INR | > 5 years INR | Total |
|----------------------------------|-----------------------|---------------------|---------------------|---------------------|--------------------|-----------------------|
| Year ended March 31, 2018 | | | | | | |
| Long term borrowings | 63,66,66,450 | | 7,73,44,469 | 16,72,41,682 | | 88,12,52,602 |
| Short term bank borrowings | 56,85,86,510 | | | | | 56,85,86,510 |
| Trade payables | | 37,26,70,905 | 17,93,46,277 | 21,08,08,241 | 1,11,52,058 | 77,39,77,480 |
| Other payables | 16,26,801 | | | | | 16,26,801 |
| | 1,20,68,79,761 | 37,26,70,905 | 25,66,90,746 | 37,80,49,923 | 1,11,52,058 | 2,22,54,43,393 |
| Year ended March 31, 2017 | | | | | | |
| Long term borrowings | 73,81,34,918 | | 9,59,87,738 | 23,56,95,564 | | 1,06,98,18,220 |
| Short term bank borrowings | 49,80,84,049 | | | | | 49,80,84,049 |
| Trade payables | | 24,63,33,221 | 27,56,28,597 | 18,62,37,775 | 1,11,41,955 | 71,93,41,548 |
| Other payables | 52,38,834 | | | | | 52,38,834 |
| | 1,24,14,57,802 | 24,63,33,221 | 37,16,16,335 | 42,19,33,339 | 1,11,41,955 | 2,29,24,82,652 |

| Particulars | On demand | < 3 months INR | 3 to 12 months INR | 1 to 5 years INR | >5 years INR | Total |
|---------------------------------|---------------------|------------------------------|-------------------------------|-----------------------------|----------------------------|-----------------------|
| Year ended April 1, 2016 | | | | | | |
| Long term borrowings | 32,43,52,678 | | 4,67,35,286 | 15,83,15,918 | | 52,94,03,882 |
| Short term bank borrowings | - | | | | | - |
| Trade payables | | 39,52,17,226 | 38,07,39,188 | 12,85,09,761 | 77,66,448 | 91,22,32,623 |
| Other payables | 22,88,351 | | | | | 22,88,351 |
| | 32,66,41,029 | 39,52,17,226 | 42,74,74,474 | 28,68,25,678 | 77,66,448 | 1,44,39,24,856 |

*As per the actual repayment schedule, inclusive of amount of processing fee netted off from borrowings

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

(Amount in INR)

47 Transition to Ind AS:

First time adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

Exemptions applied by the Company

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(i) Property, plant and equipment

Since there is no change in the Company's functional currency on the date of transition to Ind ASs, it has elected to continue with the previous Gaap carrying value for all of its property, plant and equipment (including Capital work in progress), as recognised in the financial statements as at the date of transition to Ind ASs, as its deemed cost on the date of transition.

(ii) Assets classified as held for sale

The Company holds certain assets which are held for sale as on the transition date, hence the Company has classified such assets under held for sale and elected to show them at their fair value less cost to sell as on the transition date, which is lower than the assets carrying value. The loss has been recognised in retained earnings as on the transition date.

(iii) Estimates

The estimates at April 1, 2016, March 31, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

(a) Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts is in accordance with Ind AS reflect conditions at April 1, 2016, the date of transition to Ind AS, March 31, 2017 and as of March 31, 2018.

Reconciliation of total equity as on March 31, 2017 and April 1, 2016

| Particulars | Footnote | March 31, 2017 | April 1, 2016 |
|--|----------|-----------------------|-----------------------|
| Total equity (Shareholder's funds as per IGAAP) | | 2,26,66,97,558 | 2,23,71,93,564 |
| Add: | | | |
| Fair valuation of security deposits paid | a | (13,312) | - |
| Fair valuation of Investment in mutual funds | b | 52,774 | (33,580) |
| Fair valuation of assets held for sale | c | (4,31,08,979) | (4,62,50,781) |
| Provision for debtors | d | (32,55,827) | (15,76,053) |
| Total adjustment | | (4,63,25,344) | (4,78,60,414) |
| Total equity as per Ind AS | | 2,22,03,72,215 | 2,18,93,33,150 |

Reconciliation of total comprehensive income for the year ended March 31, 2017

| Particulars | Footnote | March 31, 2017 |
|---|-----------------|-----------------------|
| Profit after tax as per previous IGAAP | | 2,95,03,995 |
| Fair valuation of security deposits paid | a | (13,312) |
| Fair valuation of Investment in mutual funds | b | 86,354 |
| Fair valuation of assets held for sale | c | 31,41,802 |
| Provision for debtors | d | (16,79,773) |
| Reclassification of defined benefit plan | e | (1,06,660) |
| Total adjustment | | 14,28,411 |
| Profit after tax as per Ind AS | | 3,09,32,406 |
| Other comprehensive income | | 1,06,660 |
| Total comprehensive income/ (loss) as per Ind AS | | 3,10,39,065 |

a Security deposits paid

Under Indian GAAP, the security deposits paid for operating lease are shown at the transaction value whereas under Ind AS, the same are initially fair valued and subsequently recorded at amortized cost at the end of every financial reporting period. The difference between the transaction and fair value is recognized as deferred rent and is amortized over the period of the lease term (along with current and non-current classification). Further, interest is accrued on the fair value of the security deposits. As a result, security deposits are decreased by INR 388,687 (April 1, 2016 - INR 507,859). and other income has increased by INR 119,173 on account of accretion of interest. (Deferred rent of INR 132,485 amortised till March 2017 to statement of profit and loss.)

b Investment in mutual funds

Under Indian GAAP, the mutual fund investments are recorded at cost or net realisable value, whichever is lower. However under Ind AS, the investments are measured at fair value through profit and loss. As a result of the fair valuation, the investments in mutual fund stand increased by INR 86,354 (April 1, 2016 - Decreased by INR 33,580).

c Assets held at realisable value

Under IGAAP, the held for sale assets are shown at their carrying value. However under Ind AS, the held for sale assets are measured at lower of their carrying value or fair value less cost to sell. As a result of the fair valuation, the held for sale assets as on April 1, 2016 has been decreased by INR 46,250,781. Further losses booked on sale of assets held for sale has been reversed for the period March 31. 2017.

d Provision for debtors

Under IGAAP, provision for expected credit loss is recommendatory. However under Ind AS the provision for expected credit loss is mandatory. As a result a provision for bad and doubtful debts has been created for INR 3,255,827 (April 1, 2016: INR 1,576,053).

e Defined benefit liabilities

Under Indian GAAP, the Company recorded the entire cost of its defined benefit plans (gratuity), including actuarial gain and loss in statement of Profit and Loss. Under Ind AS, remeasurements gain/loss of such liabilities (comprising of actuarial gain and loss, the effect of the asset ceiling, and the return on plan assets) are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI). As a result, the actuarial gain on gratuity plan amounting to INR 152,371 have been reclassified from employee benefit expense to OCI.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

1. Corporate information

Jotindra Steel & Tubes Limited (the "Company") is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is among oldest manufacturers and exporters of Electric Resistance Welded (ERW) Steel Tubes and Pipes in India. The Company is domiciled and incorporated in India in 1967 and has its registered office at 14/3, Mathura Road, Near MewlaMaharajpur Village, Sector 45, Faridabad-121003 (Haryana), India.

2. Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017 as amended by Companies (Indian Accounting Standards) Rules, 2016. Previous periods have been restated to Ind AS. In accordance with Ind AS 101 First time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2017 and April 1, 2016 and of the comprehensive net income for the year ended March 31, 2017. These financial statements for the year ended 31 March, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to note xxx for information on how the Company adopted Ind AS.

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 read with Section 133 of the Companies Act, 2013.

3. Basis of preparation

These financial statements have been prepared on a historical cost basis, except for:

- (i) Certain financial instruments which are measured at fair value at the end of each reporting period.
- (ii) Net defined benefit (assets) / liabilities measured at fair value of plan assets less present value of defined benefit obligation.

The financial statements are presented in Indian Rupees which is also the Company's functional currency and all values are rounded to the nearest rupee, except when otherwise indicated.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

4. Critical accounting estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

Impairment testing: Property, plant and equipment that are subject to amortisation/ depreciation are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

Impairment of investments: The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Income taxes: Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit or Loss.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

Defined benefit plans: The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

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

Impairment of financial assets: The Company is exposed to credit risk from its financing activities, including deposits with banks, security deposits, trade receivables and other financial instruments. Credit risk from balances with banks is managed by the Company's management in accordance with the Company's policy. Provision for security deposit is measured using 12 month expected credit losses. Customer credit risk is managed by each unit as per the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored for any expected default in repayment. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company does not hold collateral as security.

5. Significant accounting policies

a) Revenue recognition :

Income from Operations

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received or receivable.

Sales are inclusive of excise duty, goods & service tax and net of discounts/returns. Exports sales include Goods Invoiced against confirmed orders and cleared from Excise and Custom Authorities, also goods exported as third party exporter and exchange fluctuations. In respect of fabrication and erection activities, bills raised for extra work, over run charges and other miscellaneous claims are accounted for on the basis of certainty of realisation. Bills/final bills of Job Work done by the company are accounted for on the basis of certification by the principals and correspondingly the liability for job work done by the sub contractors are accounted for at the same time.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

Export incentives in cash are recognized as income on Export being made. Benefits receivable under various schemes like Advance Licenses, Target Plus, Duty Free Import Authorisation etc. are recognized on certainty of their utilization and realization.

Other items of Revenue are recognized in accordance with the Indian Accounting Standard (Ind AS-18) accordingly, wherever there are uncertainties in the ascertainment/ realization of income are recognised at the time of receipt of payment thereof.

Interest income

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend Income

Dividend income is recognized when the Company's right to receive the amount is established.

b) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Capital work in progress represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

Depreciation on property, plant and equipment is provided on a Straight-line basis using the rates prescribed in Schedule II to the Companies Act, 2013. The identified components are depreciated over the useful lives; the remaining asset is depreciated over the life of principal assets.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effects of any changes in estimates are accounted for on a prospective basis.

The company has used the following useful life to provide depreciation on its fixed assets.

| Particulars | Life in Years |
|----------------------------------|---------------|
| Land | NA |
| Building | 60 & 30 |
| Residential flats | 60 |
| Plant and machinery | 15 |
| Electrical Installations | 10 |
| Building Equipment | 12,15 & 9 |
| Furniture and Fixture | 10 |
| Refrigeration & Air Conditioners | 10 |
| Office Equipment | 5 |
| Computer | 3 & 6 |
| Solar Plant | 25 |
| Vehicle | 8 & 10 |
| Commercial Vehicle | 8 |

c) Assets taken on lease:

A Lease in which a significant portion of the risks and rewards of ownership are not transferred to the Company is classified as operating lease. Payments made under operating lease are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

d) Assets classified as held for sale:

Non-Current Assets (PPE) are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

Once classified as held for sale, Property, Plant & Equipment are no longer depreciated.

e) Financial instruments

I. Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification

- Cash and Cash Equivalents - Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
 - Debt Instruments - The Company classifies its debt instruments as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.
- i. Financial assets at amortised costs:

Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

- ii. Financial assets at fair value through Other Comprehensive Income (FVOCI)

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

iii. Financial assets at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

- Equity Instruments - The Company subsequently measures all equity investments (other than the investment in subsidiaries, associates and joint ventures which are measured at cost) at fair value. Where the Company has elected to present fair value gains and losses on equity investments in Other Comprehensive Income ("FVOCI"), there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payment is established.

At the date of transition to Ind AS, the Company has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of equity investments that are not held for trading.

When the equity investment is de-recognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is re-classified from Other Comprehensive Income to the Retained Earnings directly.

De-recognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

II. Financial liabilities

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

De-recognition

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

Offsetting of financial instruments

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

III. Impairment of financial assets

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

f) Inventories

| | |
|-------------------------------------|--|
| Loose Tools | - At cost |
| Stores, Spares and Packing Material | - At lower of cost or net realisable value |
| Raw Material | - At lower of cost or net realisable value |
| Work-in-process | - At lower of cost or net realisable value |
| Finished Goods | - At lower of cost or net realisable value |
| Scrap | - At estimated realisable value |

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of raw material, components and stores & spares is determined on first in first out/ weighted average basis. Cost of finished goods & work-in-process comprises of materials, labour and other related overheads including depreciation.

g) Foreign currency translation:

The functional currency of the Company is Indian rupee.

- i. Transactions in foreign currency has been translated into Indian Rupees at the exchange rates prevailing at the date of transaction, any variation in receipt or payment has been adjusted in exchange gain/loss account, Assets and Liabilities outstanding as at year end have been converted into the Indian Rupees at year end exchange rates.
- ii. Non-monetary assets and liabilities are translated at the rate prevailing on the date of transaction. Net variation arising out of the said transactions are adjusted to the costs of the respective non-monetary assets or liabilities, in the case of fixed assets up-to the date of installation.
- iii. The operations of foreign branches of company are integral in nature and financial statements of these branches are translated using the same principles and procedures as of its head office.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

- iv. In case of forward exchange contract or other financial instruments, the gain or loss is computed by multiplying the foreign currency amount of the forward exchange contract by the difference between the forward rate available at the end of the year and the contracted forward rate.

h) Employee benefits

- **Short term obligations:** The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related services. The accruals for employee entitlements of benefits such as salaries, bonuses and annual leave represent the amount which the Company has a present obligation to pay as a result of the employees' services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.
- **Defined contribution plan (Provident fund):** The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The Company is generally liable for annual contributions and recognises such contributions as an expense in the year in which the corresponding services are rendered by the Employee.
- **Defined benefit plan (Gratuity):** The Gratuity plan provides for lump sum payment to vested employees on retirement, death or termination of employment of an amount based on the respective employee's last drawn salary and tenure of employment. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.
- **Compensated absences:** Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the Balance Sheet date.

The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

i) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current Tax

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets are measured at tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Jotindra Steel and Tubes Limited

CIN: L27104HR1970PLC005240

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

Address: 14/3, Mathura Road, Faridabad- 121003 Haryana; Email: jotindra@jotindra.com

Minimum Alternative Tax ("MAT") credit forming part of Deferred tax assets is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

j) Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

k) Provisions and contingent liabilities

Provisions are recognised when the Company has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Company created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation, Non-current provisions are discounted if the impact is material.

Disputed liabilities and claims against the company including claims by Taxation Authorities pending in appeals, are treated as contingent liabilities. Claims against the company are reduced by counter claims of the company in order to determine the contingent liabilities.

l) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

m) Investment in subsidiaries, associates & joint ventures

Investment in subsidiaries, associates & joint ventures are stated in the Balance Sheet at cost.



JOTINDRA STEEL & TUBES LIMITED

Regd. Office & Works: 14/3, Mathura Road, Faridabad- 121 003 (Haryana) India

Phone: +95-129-2477800, 2477806, CIN: L27104HR1970PLC005240

E-mail: jotindra@jotindra.com; Web-site: www.jstltd.com

Proxy Form (Form No. MGT-11)

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration Rules, 2014)

Name of the Member(s)

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/We, being the member(s) of and holdingshares of the above named company, hereby appoint

1. Name:..... of (Address).....having Email Id:.....

Signature:....., or failing him

2. Name:.....of (Address).....having Email Id:.....

Signature:....., or failing him

3. Name:.....of (Address).....having Email Id:.....

Signature:....., or failing him

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 48th Annual General Meeting of the Company, to be held on Saturday, 29th day of September, 2018 at 3.30 P.M. at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above Proxy to vote in the manner as indicated in the box below:

| Sl. No. | Resolutions | For | Against |
|---------|--|-----|---------|
| | Ordinary Business | | |
| 1. | Adoption of Audited Financial Statements for the financial year ended 31 st March, 2018 and the Reports of the Board of Directors and Auditors thereon. | | |
| 2. | To appoint a Director in place of Shri V.K. Sureka (DIN: 00060160), who retires by rotation and, being eligible, offers himself for re- appointment | | |
| | Special Business | | |
| 1 | To appoint Smt. Jaspreet Arora, a Non-executive Independent Director of the Company for a period of 5 years. | | |
| 2 | To appoint Shri A.K. Sureka (DIN: 00060206) as the Managing Director | | |
| 3 | To appoint Shri O.P. Bhardwaj (DIN: 00060405) as the Director (Commercial) | | |
| 4 | Approval for Creation of charge on the assets of the company for aggregate indebtedness not exceeding Rs. 400 Crores. | | |
| 5 | To approve entering into Transactions with Related Parties u/s 188 of the Companies Act, 2013 | | |
| 6 | To approve & ratify the Payment of Remuneration to M/s Nisha Vats & Co. the Cost Auditors (Firm Regd. No.- 102932), Cost Accountants, as cost auditors of the Company for the FY-2018-19. | | |

Signed thisday of2018

Signature of shareholder

Affix
Reven
ue
Stamp

Signature of first proxy holder

signature of second proxy holder

signature of third proxy holder

Note: This form of proxy in order 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.

Form No. MGT- 12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: Jotindra Steel And Tubes Limited.
Registered Office: 14/3, Mathura Road, Faridabad-121003 (Haryana).
CIN: L27104HR1970PLC005240

BALLOT PAPER

| S No | Particulars | Details |
|------|---|--------------------------------|
| 1 | Name of the first named Shareholder (In Block Letters) | |
| 2 | Postal address | |
| 3 | Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form) | |
| 4 | Class of Share | Equity Shares of Rs. 10/- each |

I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

| Item Sl No | Item No. | No. of Shares held by me | I assent to the resolution | I dissent from the resolution |
|------------------|----------|-----------------------------|-------------------------------|----------------------------------|
|------------------|----------|-----------------------------|-------------------------------|----------------------------------|

ORDINARY BUSINESS

| | | | | |
|----|--|--|--|--|
| 1. | Adoption of Audited Financial Statements for the financial year ended 31 st March, 2018 and the Reports of the Board of Directors and Auditors thereon. | | | |
| 2. | To appoint a Director in place of Shri V.K. Sureka (DIN: 00060160), who retires by rotation and, being eligible, offers himself for re- appointment | | | |

SPECIAL BUSINESS

| | | | | |
|---|--|--|--|--|
| 1 | To appoint Smt. Jaspreet Arora, a Non-executive Independent Director of the Company for a period of 5 years. | | | |
| 2 | To appoint Shri A.K. Sureka (DIN: 00060206) as the Managing Director | | | |
| 3 | To appoint Shri O.P. Bhardwaj (DIN: 00060405) as Director (Commercial) | | | |
| 4 | Approval for Creation of charge on the assets of the company for aggregate indebtedness not exceeding Rs. 400 Crores. | | | |
| 5 | To approve entering into Transactions with Related Parties u/s 188 of the Companies Act, 2013 | | | |
| 6 | To approve & ratify the Payment of Remuneration to M/s Nisha Vats & Co. the Cost Auditors (Firm Regd. No.- 102932), Cost Accountants, as cost auditors of the Company for the FY-2018-19. | | | |

Place:

Date:

(Signature of the shareholder)

NOTES/INSTRUCTIONS

For Members opting for e-voting

The Company is pleased to announce that it is offering remote e-voting facility as an alternate, for Members to enable them to cast their vote electronically instead of voting at the venue of AGM through physical ballots. For the procedure to be followed for remote e-voting by Members, kindly refer to Notes 13 of the Notice dated September 05, 2018.

Last date for remote e-voting is the close of working hours (05:00 P.M.) on Friday, 28th September, 2018.

For Members opting to vote by Physical Ballot

A shareholder desiring to exercise his/her vote by physical ballot are required to be physically present at the venue of the AGM and can give his/her assent or dissent in the ballot paper attached herewith the Notice of AGM. At the time of physical voting at the venue of the AGM, the ballot paper shall be duly filled and completed and be dropped in the ballot box kept at the AGM venue. Company has appointed a scrutinizer for confirming that the voting through physical ballot paper is being done in a fair and transparent manner. Shareholder can send proxy as well instead of attending the AGM personally and the proxy can vote on his/her behalf. Proxy can vote only after submitting duly filled and signed Proxy Forms. Shareholder/Proxy are requested to bring alongwith them, the attendance slip, Proxy Form(only in case Proxy attends meeting) and his/her copy of Annual Report and Notice.

Voting rights shall be reckoned on the number of shares registered in the name of members as on Saturday, 22nd September, 2018.

Kindly note that the members can opt only one mode for voting i.e. either by Physical Ballot at the venue of AGM or Remote E- Voting. If you are opting for remote e-voting, then do not vote by Physical Ballot also and vice versa. However, in case member(s) cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail.

The results declared alongwith Scrutinizer's Report, shall be placed on the Company's Web-site www.jstltd.com, notice board of the company and on the web-site of the CDSL within two days of the passing of the Resolutions at AGM of the Company held on Saturday, 29th September, 2018 and communicated to the BSE Limited & CSE Limited where the shares of the company are listed.



JOTINDRA STEEL & TUBES LIMITED

Regd. Office & Works: 14/3, Mathura Road, Faridabad- 121 003 (Haryana) India

Phone: +95-129-2477800, 2477806, CIN: L27104HR1970PLC005240

E-mail: jotindra@jotindra.com; Web-site: www.jstltd.com

ATTENDANCE SLIP

Please fill attendance slip and hand it over at the entrance of the meeting hall

I hereby record my presence at the 48th Annual General Meeting held at 14/3, Mathura Road, Faridabad-121003(Haryana) on Saturday, 29th September 2018 at 3.30 P.M.

Member's/proxy's Name _____

Member's/proxy's Signature _____

No. of Shares: _____

Folio No./DP Id No*/ Client Id Number* _____

*Applicable for investors holding shares in electronic form.

(FOR INSTRUCTION SEE AS UNDER)

NOTICE

1. Shareholders/Proxy holders are requested to bring the admission slips with them when they come to the meeting and hand them over at the gate after affixing their signatures on them.
2. Shareholders intending to require any information to be explained in the meeting are requested to inform the company at least 7 days in advance of their intention to do so, so that the papers relating thereto may be made available if the Chairman permits such information to be furnished.
3. Shareholders are requested to advise indicating their account numbers, the change in their address, if any to the company.

ROUTE MAP TO THE VENUE OF THE 48TH AGM OF JOTINDRA STEEL & TUBES LTD.

