

**INFORMATION MEMORANDUM**



**JINDAL SOUTH WEST HOLDINGS LIMITED**

(Incorporated as a public limited Company on July 12, 2001 and obtained Certificate of Commencement of Business dated September 5, 2001 under the Companies Act, 1956)

Registered Office : Jindal Mansion, 5A – Dr. G. Deshmukh Marg, Mumbai – 400 026.

Tel : (022) 2351 3000, Fax : (022) 2352 6400. Website : [www.jsw.in](http://www.jsw.in)

**INFORMATION MEMORANDUM FOR LISTING OF 1,10,99,625 EQUITY SHARES OF RS. 10/- EACH**

**GENERAL RISKS**

Investment in equity and equity-related securities involve a degree of risk and investors should not invest in the equity shares of Jindal South West Holdings Limited unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in the shares of Jindal South West Holdings Limited. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved.

**ABSOLUTE RESPONSIBILITY OF JINDAL SOUTH WEST HOLDINGS LIMITED**

Jindal South West Holdings Limited having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to Jindal South West Holdings Limited, which is material, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares of Jindal South West Holdings Limited are proposed to be listed on The Stock Exchange, Mumbai (BSE), National Stock Exchange of India Limited (NSE) and The Delhi Stock Exchange Association Limited (DSE).

**SHARE TRANSFER AGENT**



**Sharepro Services (India) Pvt. Ltd.**

Satam Estate, 3<sup>rd</sup> Floor, Above Bank of Baroda,  
Cardinal Gracious Road, Chakala, Andheri (E),  
Mumbai – 400 099.

Tel.: (022) 2821 5168 / 5991, Fax: (022) 2837 5646

Email: [sharepro@vsnl.com](mailto:sharepro@vsnl.com).

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## **RISK FACTORS**

*An investment in equity shares involves a high degree of risk. You should carefully consider all of the information in this Information Memorandum, including the risks and uncertainties described below. If any of the following risks actually occur, our business, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.*

### ***Internal Risk Factors***

Jindal South West Holdings Limited (“JSWHL”) is an Investment Company. Therefore, its main source of income is from dividend from its investment made in listed/unlisted companies. Therefore, any adverse financial impact on the operations / business / performance of investee companies will have negative impact on the revenue of JSWHL.

### **Downturns or disruptions in the securities markets could reduce transaction volumes, and could cause a decline in the business and impact our profitability.**

A significant portion of our revenue has been from Dividend and although we may diversify our revenue sources, we expect dividend income to account for a significant portion of our revenues in the foreseeable future. Like other investment companies, we are affected directly by national and global economic and political conditions, broad trends in business and finance, disruptions to the securities markets and changes in volume and price levels securities and future transactions.

### **We depend on our management team and the loss of team members may adversely affect our business.**

We believe that we have a strong team of professionals to oversee the operations and growth of our businesses. If one or more members of our management team are unable or willing to continue in their present positions, such persons would be difficult to replace and our business would be adversely affected. We may loose our key management team to our competitors.

### **Future sales by shareholders could cause the price of equity shares to decline.**

If the shareholders sell a substantial number of equity shares in the public market, the market price of the equity shares could fall. Indian securities laws permit venture capital funds and foreign venture capital investors registered with SEBI as well as other shareholders other than promoters, to dispose of their equity shares immediately following the listing. The remaining pre-merger capital equity shares are subject to lock-in for 3 years from the date of listing. Equity shares held by promoters upto 20% of the post – issue capital are subject to lock in for a period of 3 years from the date of listing.

### **Details about promoters and group companies**

Details about the promoters and group companies (including the loss making companies in one or more of the last three financial years ending March 31, 2004) along with litigation details, penalty, if any, imposed by regulatory authorities against the promoters and group companies are provided hereinafter in this Information Memorandum in respective sections.

### ***External Risk Factors***

#### **Legal and Compliance Risk**

Legal and compliance risk refers to the possibility that we will be found, by a court, arbitration panel or regulatory authority, not to have complied with an applicable legal or regulatory requirement. In addition, we are subject to extensive regulation by SEBI, BSE, NSE, DSE, RBI and other state and

market regulators in India. New laws/rules and changes in any law and application of current laws/rules could affect our manner of operations and profitability.

**Terrorist attacks and other acts of violence or war involving India and other countries could adversely affect the financial markets, results in a loss of business confidence and adversely affect the business, results of operations and financial condition.**

Terrorist attacks and other acts of violence or war, including those involving India or other countries and other such acts, could adversely affect Indian and worldwide financial markets. Such acts may also result in a loss of business confidence and have other consequences that could adversely affect our business, results of operations and financial condition. Increase volatility in the financial markets can have an adverse impact on the economic of India and other countries including economic recession.

After this listing, the prices of our Company's equity shares may be volatile, or an active trading market for our Company's equity shares may not develop.

The price of our Company's equity shares on Indian Stock Exchanges may fluctuate after this listing as a result of several factors, including:

- Volatility in the Indian and Global securities market;
- The results of operations and performance'
- Perceptions about our Company's future performance or the performance of Indian investment and consultancy companies;
- Significant development in the regulation of financial services market;
- Adverse media reports on our Company or on the Indian financial services industry;
- Significant development in India's economic liberalization and deregulation policies and
- Significant development in India's fiscal and environmental regulations.

There has been no public market for our Company's equity shares till now and the prices of our Company's equity shares may fluctuate after this listing. There can be no assurance that an active trading market for the equity shares will develop or be sustained after this listing. Our Company's share price could be volatile.

## GENERAL INFORMATION

### **Name & Registered office of the Company**

#### **Jindal South West Holdings Limited**

Jindal Mansion,  
5A – Dr. G. Deshmukh Marg,  
Mumbai – 400 026.

#### **Registration No.**

11-132705 – registered with :  
The Registrar of Companies, Maharashtra, Mumbai.  
Everest, 100, Marine Drive,  
Mumbai – 400 002.

#### **Board of Directors**

- 1) Mr. Sajjan Jindal, Chairman
- 2) Mr. K. N. Patel, Jt. Managing Director & CEO
- 3) Mr. N. K. Jain
- 4) Dr. S. K. Gupta
- 5) Mr. Atul Desai
- 6) Mr. Shailesh Haribhakti

#### **Authority for Listing**

The Honourable High Courts of Judicature at Bombay and of Karnataka vide their Orders dated September 3, 2004 and January 20, 2005 respectively; have approved the Scheme of Arrangement & Amalgamation between Jindal Iron & Steel Company Limited (“JISCO”), Jindal South West Holdings Limited (“JSWHL”), Jindal Vijayanagar Steel Limited (“JVSL”) and their respective members and creditors (the “Scheme”) whereby the Investment Division of JISCO, pursuant to the provisions of Section 391-394 of the Companies Act, 1956, without any further act, instrument, or deed, stands transferred to and vested in JSWHL so as to vest in the JSWHL all the rights, title and interest of JISCO therein, subject to subsisting of charges and pledges, if any w.e.f. 1<sup>st</sup> April, 2003 (i.e. the Appointed Date under the Scheme). In accordance with the said Scheme, the Equity Shares of JSWHL issued pursuant to the Scheme as well as existing shares of JSWHL issued for the purpose of incorporation shall, subject to applicable regulations, be listed and admitted to trading on The Stock Exchange, Mumbai (“BSE”), the National Stock Exchange of India Limited (“NSE”) and The Delhi Stock Exchange Association Limited (“DSE”). Such listing and admission for trading is not automatic and will be subject to fulfillment by JSWHL of listing criteria of BSE, NSE and DSE for such issues and also subject to such other terms and conditions as may be prescribed by BSE, NSE and DSE at the time of the application by JSWHL seeking listing.

The aforesaid Order of the Honourable High Court of Judicature at Bombay was filed by JSWHL with the Registrar of Companies (“ROC”), Maharashtra, Mumbai on November 22, 2004 and the Order of the Honourable High Court of Karnataka was filed by JSWHL with the ROC, Maharashtra, Mumbai on February 4, 2005, which is the Effective Date of the Scheme.

Subsequently, SEBI, vide its letter no. CFD/DIL/SR/38545/2005 dated April 15, 2005 has granted relaxation from the applicability of Rule 19(2)(b) of the Securities Contract Regulation (Rules), 1957 (SCRR) subject to JSWHL complying with the provisions of Clauses 8.3.5.1 (iv) – (viii), 8.3.5.3 and 8.3.5.4 of SEBI (DIP) Guidelines, 2000. Further, above relaxation is also subject to JSWHL confirming the following: -

- a) For the purpose of satisfying at least 25% of post-scheme paid up capital of unlisted transferee company, namely, Jindal South West Holdings Limited to be with public holders of shares in the pre-arrangement listed transferor company, namely, Jindal Iron & Steel Company Limited, the “Public Holders” referred in clause 8.3.5.1 (iii) of SEBI (DIP) Guidelines, 2000 excludes the following:
- i) Promoters and persons acting in concert of pre-arrangement listed transferor company, namely, Jindal Iron & Steel Company Limited as defined in SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997;
  - ii) Any shareholder of pre-scheme unlisted transferee company, namely, Jindal South West Holdings Limited
- b) Neither the unlisted transferee Company, namely, Jindal South West Holdings Limited nor its promoters/directors are debarred by SEBI from accessing the capital market.

JSWHL will comply with the aforesaid conditions stipulated by SEBI.

JSWHL has submitted its Information Memorandum, containing information about itself and Group Companies to BSE, NSE and DSE for making the said Information Memorandum available to public through their websites.

JSWHL has made the said Information Memorandum available on its website.

JSWHL will publish an advertisement in the newspapers containing its details in line with the details required as per clause 8.3.5.4 of SEBI (DIP) Guidelines.

#### **Prohibition by SEBI**

The Company, its directors, its promoters, other companies promoted by the promoters and companies with which the Company’s directors are associated as directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

#### **Caution**

The Company accepts no responsibility for statements made otherwise than in the Information Memorandum or in the advertisements to be published in terms of Clause 8.3.5.4 of SEBI (DIP) Guidelines, 2000 or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

#### **Disclaimer Clause of BSE**

As required, a copy of this Information Memorandum has been submitted to BSE. The company has filed applications with BSE for listing of above Equity Shares.

The BSE does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- warrant that this Company’s securities will be listed or will continue to be listed on the BSE; or

- take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed to mean that this Information Memorandum has been cleared or approved by the BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **Disclaimer Clause of the NSE**

As required, a copy of this Information Memorandum has been submitted to NSE. The Company has filed applications with NSE for listing of its equity shares. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed to mean that this Information Memorandum has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; nor does it warrant that this Company's securities will be listed or will continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

Every person who desires to apply for or otherwise acquires any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **Filing**

Copies of this Information Memorandum being filed with BSE, NSE, and DSE in due compliance with the directive issued by BSE.

#### **Listing**

Applications will be made to BSE, NSE and DSE for permission to deal in and for an official quotation of the Equity Shares of the Company. JSWHL has nominated BSE as the Designated Stock Exchange for the aforesaid listing of the shares.

JSWHL shall ensure that all steps for the completion of necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above within such period as approved by SEBI.

#### **Demat Credit**

JSWHL has executed Agreements with NSDL and CDSL for admitting its securities in demat form. The Company has made allotment of equity shares in demat form to those shareholders who have provided necessary details to the Company and/or who were holding their shares in JISCO in demat form as on the Record Date (February 25, 2005). Remaining shareholders were allotted shares in physical mode.

#### **Credit Rating**

This being an issue of equity shares, no credit rating is required. No ratings have been received by the Company for other securities/instruments in the last three years.

**Share Transfer Agent**

**Sharepro Services (India) Pvt. Ltd.**

Satam Estate, 3<sup>rd</sup> Floor, Above Bank of Baroda,  
Cardinal Gracious Road, Chakala, Andheri (E),  
Mumbai – 400 099.  
Tel.: (022) 2821 5168 / 5991, Fax: (022) 2837 5646  
Email: [sharepro@vsnl.com](mailto:sharepro@vsnl.com).

**Registrar & Share Transfer Agent's Investor Relation Centre**

**Sharepro Services (India) Pvt. Ltd.**

912, Raheja Centre,  
Free Press Journal Marg, Nariman Point,  
Mumbai – 400 021.  
Tel : (022) 2288 4527, 2284 4668  
Fax : (022) 2282 5484

**Auditors**

**Shah Gupta & Co.**

Chartered Accountants  
38, Bombay Mutual Building,  
2<sup>nd</sup> Floor, Dr. D. N. Road, Fort,  
Mumbai – 400 001.

**Banker to the Company**

**Vijaya Bank**

Clover Apartment,  
29, Cuffe Parade,  
Colaba,  
Mumbai – 400 005.

**Compliance Officer and Company Secretary**

Mr. Virendra Samani  
Jindal South West Holdings Limited  
Jindal Mansion,  
5A – Dr. G. Deshmukh Marg,  
Mumbai – 400 026.  
Tel : (022) 2351 3000, Fax : (022) 2352 6400  
Email : [viren.samani@jisco.com](mailto:viren.samani@jisco.com)

Investors can contact the Compliance Officer in case of any share transfer related problem.



**CAPITAL STRUCTURE**

<b>SHARE CAPITAL</b>	<b>Aggregate Value (in Rs.)</b>
<b>A. Authorised Share Capital</b>	
1,15,00,000 Equity Shares of Rs. 10/- each	: 11,50,00,000
<b>B. Issued, Subscribed And Paid-Up Capital</b>	
1,10,99,625 Equity Shares of Rs. 10/- each fully paid up	: 11,09,96,250
<b>C. Number of Equity Shares issued as per Scheme of Arrangement &amp; Amalgamation approved by the High Court of Judicature, at Mumbai and Karnataka</b>	
109,99,625 Equity Shares of Rs. 10/- each	: 10,99,96,250
<b>D. Equity Capital after implementation of the Scheme</b>	
1,10,99,625 Equity Shares of Rs. 10/- each	: 11,09,96,250
<b>E. Share Premium Account</b>	
Before the Scheme	: --
After the Scheme	: --

- 1) The authorised share capital of the Company at the time of incorporation was Rs. 25 lakhs, divided into 2,50,000 equity shares of Rs.10 each. Subsequently the authorized share capital was increased to Rs 11.50 crores vide resolution passed at its Extra-Ordinary General Meeting held on December 6, 2003.
- 2) As per the Scheme, JSWHL issued 1,09,99,625 equity shares to erstwhile shareholders of JISCO [holding fully paid-up shares in JISCO and whose names appeared in the register of members of JISCO on record date (i.e. February 25, 2005)] in respect of every 4 equity shares of the face value of Rs.10/- each fully paid-up held by him/ her/ it in JISCO, 1 equity share of the face value of Rs.10/- each of the Company as fully paid up.

**Notes to the Capital Structure**

- 1) Share Capital History of our Company

Sr. No	Date of Allotment	Mode of Issue	No. of Shares	Cummulative paid up capital (Rs.)	Issue Price (Rs.)	Face Value (Rs.)	% of post Scheme paid up capital
1	27/08/01	Equity Shares are allotted and issued to the subscribers of Memorandum of Association	50000	500000	10/-	10/-	0.45%
2	10/03/03	Private Placement	50000	1000000	10/-	10/-	0.45%
3	16/03/05	Pursuant to the Scheme of Arrangement & Amalgamation	10999625	110996250	10/-	10/-	99.10%

2) Lock-in details for shares of JSWHL:

The promoters shall lock-in to the extent of 20% of the post merger paid up capital (i.e. 22,19,925 equity shares) of JSWHL and also the balance of the entire pre-merger capital of JSWHL (i.e. 1,00,000 equity shares) for a period of three (3) years from the date of listing of shares. In nutshell, the total shares to be under lock-in will be to the extent of 23,19,925 equity shares.

3) Promoters of JSWHL, their relatives and associates, and their Directors have not purchased or sold or financed, directly or indirectly, any equity shares from the date of approval of the Scheme by the High Courts till the date of submission of this Information Memorandum except the allotment of shares were made pursuant to the Scheme of Arrangement & Amalgamation.

## 4) Shareholding pattern of JSWHL before and after the Scheme:

Category	Pre-Scheme		Post-Scheme	
	No. Shares	%	No. Shares	%
<b>A. Promoter Group</b>				
(1) Promoters				
-- Indian Promoters	99,500	99.50	62,07,302	55.92
-- Foreign Promoters	--	--	--	--
(2) Persons Acting in Concert	500	0.50	5,246	0.05
<b>Sub-Total (A)</b>	<b>1,00,000</b>	<b>100.00</b>	<b>62,12,548</b>	<b>55.97</b>
<b>B. Non-Promoters</b>				
(3) <i>Institutional Investors</i>	--	--		
(a) UTI	--	--	10,851	0.10
(b) Mutual Funds	--	--	6,14,595	5.54
(c) Banks, Financial Institutions, Insurance Companies	--	--	2,23,308	2.01
(d) FIIs	--	--	18,71,431	16.86
<i>Sub-Total</i>	--	--	<b>27,20,185</b>	<b>24.51</b>
(4) <i>Others</i>				
(a) Private Corporate Bodies	--	--	438,218	3.95
(b) Indian Public	--	--	15,14,116	13.64
(c) NRIs / OCBs	--	--	1,52,599	1.37
(d) Any other (please specify) – Trust	--	--	61,959	0.56
<b>Sub-Total (B)</b>	--	--	<b>21,66,892</b>	<b>19.52</b>
<b>Grand Total (A+B)</b>	<b>1,00,000</b>	<b>100.00</b>	<b>1,10,99,625</b>	<b>100.00</b>

5) The list of top 10 shareholders of JSWHL and the number of Equity Shares held by them:

(a) Top ten shareholders on the date of filing the Information Memorandum with Stock Exchange

Sr. No.	Name of the shareholders	Number of Equity Shares	
		On the date of filing of Information Memorandum with Stock Exchanges	10 days prior to the date of filing of Information Memorandum with Stock Exchanges
1	Jindal Strips Ltd	1137043	1137043
2	HSBC Global Investments Fund A/c	842049	842049
3	CBC Bahrain FIR Equity A/c	825751	825751
4	Vrindavan Services Private Ltd	642400	642400
5	Gagan Trading Co. Ltd.	538137	538137
6	Beaufield Holdings Ltd	480699	480699
7	Jindal Equipment Leasing and Consultancy Services Ltd	419584	419584
8	Sun Investments Private Ltd	365332	365332
9	HSBC Equity Fund	333403	333403
10	Reynold Traders Pvt. Ltd.	320500	320500
	<b>Total</b>	<b>5622888</b>	<b>5622888</b>

(b) Top ten shareholders on the date of incorporation of JSWHL

Sr. No.	Name of the shareholders	Number of Equity Shares on the date of incorporation of JSWHL
1	Gagan Trading Company Limited	20000
2	Reynold Traders Private Limited	15000
3	Vrindavan Services Private Limited	14300
4	Mr. Nirmal Kumar Jain	100
5	Mr. Raman Madhok	100
6	Mr. Kantilal Narandas Patel	100
7	Mr. Ram Prakash Nangalia	100
8	Mr. Seshagiri Rao M V S	100
9	Mr. Vishnu Prakash Garg	100
10	Mr. Vijay Karayi	100
	<b>Total</b>	<b>50000</b>

6) As on the date of this Information Memorandum, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into equity shares of JSWHL.

7) There will be no further issue of Equity capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of approval of the Scheme by the High Courts till listing of the Equity Shares to be allotted as per the Scheme.

8) JSWHL presently does not have any intention or proposal to alter its Equity capital structure for a period of six (6) months from the date of listing the shares, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities

convertible into exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise.

- 9) There shall be only one denomination for the Equity Shares of JSWHL, subject to applicable regulations and JSWHL shall comply with such disclosure and accounting norms specified by SEBI, from time to time.
- 10) JSWHL has around 31,933 members as on the date of filing of this Information Memorandum.

## **OBJECTS OF THE SCHEME OF ARRANGEMENT & AMALGAMATION**

The objects of the Scheme of Arrangement & Amalgamation between JISCO, JSWHL, JVSL and their respective members and creditors are given below:

As part of the strategic review, the Jindal Group decided to restructure its steel business of Jindal Iron & Steel Co. Ltd (JISCO) with Jindal Vijayanagar Steel Ltd and demerger of the investments, related loans and advances of JISCO into Jindal South West Holdings Limited (JSWHL). A consolidation will result in achieving a focused and integrated steel business of JISCO and JVSL into a single entity which would lead to several benefits including rationalisation, focus identities, consolidation of core business, maximum production of value added products, increase control, cost reduction, enhancing financial strength, flexibility, efficiency, utilization of taxshields, operational and financial synergies, cost synergies, economics of scales and enhancing entity value. This would result in overall saving in cost and maximization of shareholders value.

In nutshell, the overall strategic obligations of the Scheme envisaged: -

- ❖ Demerger of the Investments and related loans and advances of JISCO into JSWHL.
- ❖ Re-organisation of the capital structure of JVSL including issue of warrants of JVSL to all its existing shareholders.
- ❖ Amalgamation of Steel Business of JISCO (Remaining Business) with JVSL.

The basic thesis contemplated was to create an integrated steel player focus solely on the steel business. It will result in creation of an end-to-end chain from iron ore to galvanized products. The consolidation of the Steel Businesses will lead to operational synergies besides certain additional benefits as mentioned above. This would boost the confidence of the shareholders of the merged Company (JISCO and JVSL) to invest with a clear investment thesis. The investments being demerged comprise shareholdings in JVSL and certain other investment and related loans and advances.

To provide an opportunity to the shareholders of JSWHL to unlock the value component of JISCO's Investment in Jindal Group companies, as the equity shares of JSWHL (into which the Investment Division is transferred under the Scheme) allotted to them will be listed on the Stock Exchanges. At the same time, the shareholders have also got the shares of JVSL as per the Scheme.

## **BUSINESS**

JSWHL is an Investment Company and presently holds investments in equity shares of Jindal Group companies mainly in listed entities like Jindal Vijayanagar Steel Limited, Jindal Steel & Power Limited, Jindal Stainless Limited, Jindal Strips Limited and other companies. These shares were transferred to JSWHL by JISCO under the Scheme of Arrangement approved by The Honourable High Courts of Judicature at Bombay and Karnataka vide their Orders dated September 3, 2004 and January 20, 2005 respectively.

JSWHL a Company is mainly engaged in the investment activities by investing in shares, stocks or other securities of Companies, Public bodies / authorities, local bodies in India or abroad.

JSWHL also provides consultancy services and acts as advisors inter alia in matters and problems relating to finance, organization, management, commencement or expansion, cost control, marketing, publicity, HRD, technical know how planning, development, research, design etc. as are usually rendered by consultants for and in connection with the management, supervision, manufacture / production in all types of industries to and for institution, concerns, bodies, associations (incorporated or unincorporated), departments and services of the Govt., Public or local authorities, Trustees etc.

## HISTORY

JSWHL was incorporated on July 12, 2001 and it was granted certificate of Commencement of Business on September 5, 2001.

The main objects of JSWHL as set out in its Memorandum of Association are as follows: -

- 1) To form, incorporate or promote, sell or otherwise dispose-off any company or companies, whether in India or elsewhere and for this purpose of invest in, acquire, hold, sell or otherwise dispose-off shares, stocks, debentures or other securities in such promotee companies and also to otherwise invest in, acquire, hold, underwrite, sell or otherwise deal in shares, stocks, debentures, debenture stocks, bonds, negotiable instruments, securities of any Company, government, public body or authority, municipal and local bodies, whether in India or abroad
  
- 2) To carry on the business of acting as advisors and consultants on all matters and problems relating to the technical industries, civil, administration, finance and organisation, management, commencement or expansion of industry, purchasing techniques and business (including construction of plants and buildings), production, purchases, sales, material and cost control, marketing, advertisement, publicity, personnel, Human Resource Development, export and import, to provide technical know-how, render advise on planning, development, research, design, plant operation, to make feasibility studies, assist in acquisition of plant and machinery, to provide procurement, construction and technical services and to render such other services as are usually rendered by consultants for and in connection with the management, supervision, manufacture, production in all types of industries to and for institution, concerns, bodies, associations (incorporated or unincorporated), departments and services of the government, public or local authorities, trustees, Scientific Research and Development centres and also to entire into any arrangements by way of turnkey project involving supply of technical, civil, financial, administration, plant and merchandise, information and knowledge and experience and as such undertake for an on behalf of clients to set-up any plant or project in or outside India.

***Change in Memorandum of Association of JSWHL since its inception.***

Date	Particulars
December 6, 2003	Increase in Authorised Share Capital from Rs. 25 lakhs to Rs. 11.50 crores.
July 27, 2004	Alteration of Clause 21 of Memorandum of Association

## MANAGEMENT

### Board of Directors

The following table sets forth details regarding the Board of Directors of JSWHL.

Name, Designation, Father's Name, Address, Occupation	Age (in years)	Other Directorships
Mr. Sajjan Jindal Chairman (S/o Late Shri O. P. Jindal) Jindal House, 32, Walkeshwar Road, Mumbai – 400 006. <i>Industrialist</i>	46	<ul style="list-style-type: none"> <li>• Jindal Vijayanagar Steel Ltd</li> <li>• Jindal Thermal Power Company Ltd.</li> <li>• Twenty First Century Printers Ltd.</li> <li>• Jindal Aluminium Ltd</li> <li>• South West Port Ltd</li> </ul>
Mr. K. N. Patel Jt. Managing Director & CEO (S/o Shri Narandas B. Patel) 12, Yesho – Mangal, 64, B. Lallubhai Shamaldas Road, Andheri (W), Mumbai – 400 058. <i>Company Executive</i>	54	<ul style="list-style-type: none"> <li>• Jindal Steel &amp; Alloys Ltd.</li> <li>• Jindal Technologies &amp; Management Services Pvt. Ltd.</li> <li>• Sapphire Technologies Ltd.</li> <li>• South West Mining Ltd.</li> <li>• Jindal Overseas Pte Ltd.</li> <li>• Art India Publishing Co. Pvt. Ltd</li> <li>• Tarini Properties Pvt. Ltd.</li> <li>• Tanvi Residency Pvt. Ltd.</li> <li>• Samarth Holdings Pvt. Ltd.</li> <li>• Heritage Airlines Pvt. Ltd.</li> </ul>
Mr. N. K. Jain Director (S/o Shri Bradhi Chand Jain) 302, Suman, Play Ground Road, Vile Parle (East), Mumbai – 400 057. <i>Company Executive</i>	58	<ul style="list-style-type: none"> <li>• Southern Iron &amp; Steel Company Ltd</li> <li>• Jindal Thermal Power Co. Ltd</li> <li>• JSW Power Ltd</li> <li>• Jindal Coated Steel Pvt. Ltd.</li> <li>• Jindal Praxair Oxygen Company Pvt. Ltd.</li> <li>• Sapphire Technologies Ltd</li> <li>• Heritage Airlines Pvt. Ltd</li> <li>• Tanvi Residency Pvt. Ltd</li> <li>• Tarini Properties Pvt. Ltd</li> <li>• Windsor Residency Pvt. Ltd.</li> <li>• Hampi Investments Pvt. Ltd.</li> </ul>
Dr. S. K. Gupta Director (S/o Shri Sushil Kumar Biswas) 14, Singapore Garden, Kanakapura Road, P. O. Doddakalasandra, Bangalore – 560 062 <i>Company Director</i>	66	<ul style="list-style-type: none"> <li>• Jindal Vijayanagar Steel Ltd</li> <li>• Vesuvius India Ltd</li> <li>• EcoCoke &amp; Power Private Ltd</li> <li>• Encore Software Ltd.</li> <li>• Vijayanagar Minerals Private Ltd</li> <li>• Ferro Green Technologies Pvt. Ltd.</li> <li>• SciTech Patent Art Services Pvt. Ltd.</li> <li>• Steelmet Marketing (India) Pvt. Ltd.</li> </ul>
Mr. Atul Desai Director (S/o Shri Manubhai Desai) C/62, Vellard View, 14, Tardeo Road, Haji Ali, Mumbai – 400 034 <i>Advocate &amp; Solicitor</i>	55	<ul style="list-style-type: none"> <li>• Glofame Cotspin Industries Ltd</li> <li>• Welspun Syntex Ltd</li> <li>• TCFC Finance Ltd</li> <li>• India Safety Vaults Ltd</li> </ul>



<p>Mr. Shailesh Haribhakti          Director          (S/o Shri Vishnubhai B. Haribhakti)          7, Firpos Premises, 4<sup>th</sup> Floor,          47A, Bhulabhai Desai Road,          Mumbai – 400 026.  <i>Chartered Accountant</i></p>	49	<ul style="list-style-type: none"> <li>• Pantaloon Retail (India) Ltd.</li> <li>• Ambuja Cement Eastern Ltd.</li> <li>• IDBI Capital Market Services Ltd.</li> <li>• JBF Industries Ltd.</li> <li>• Morarjee Textiles Ltd.</li> <li>• Indian Petrochemicals Corporation Ltd.</li> <li>• Walchand Capital Ltd.</li> <li>• Mahindra Gesco Eastern Ltd.</li> <li>• Birla Global finance Ltd.</li> <li>• Vidyavihar Containers Ltd.</li> <li>• Gujarat Adani Port Ltd.</li> <li>• The Rubber Products Ltd.</li> <li>• Kotak Mahindra Pvt. Equity Trustee Ltd.</li> <li>• SIDBI Venture Capital Ltd.</li> <li>• Advantage Moti India Pvt. Ltd.</li> <li>• Advantage Comfort Pvt. Ltd.</li> <li>• E-Biz Chem Pvt. Ltd.</li> <li>• Moores Rowland Consulting Pvt. Ltd.</li> <li>• Alliance Capital Asset Management (I) Pvt. Ltd.</li> <li>• Haribhakti MRI Corporate Services Pvt. Ltd.</li> </ul>
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### **Brief Biographies of the Directors**

#### ***Mr. Sajjan Jindal***

Sajjan Jindal was born on December 5, 1959, in Calcutta, India. He received his Bachelor of Engineering degree in Mechanical Stream from Bangalore University in the year 1982. After graduation, he joined Swastik Foils, as a Joint Managing Director and retained this position until 1983.

Mr. Jindal moved to Mumbai to independently look after the western region operations of Jindal Organisation in 1983. In 1989 he got associated with Jindal Iron & Steel Company Ltd. manufacturing Cold Rolled and Galvanized Sheet Products. He also promoted Jindal Vijayanagar Steel Ltd., Jindal Thermal Power Company Ltd, Jindal Praxiar Oxygen Ltd., and Vijayanagar Minerals Private Ltd. for the complete backward integration. All these businesses were formed to achieve the core competency in the production of Flat Steel Products. To achieve better synergies in the operations of group companies, Jindal South-West group was formed in the year 2004. South West Port Limited and Southern Iron and Steel Company Limited were added in JSW Group in the year 2004.

JSW Group is having an annual turnover of over 1.5 billion US\$ and is a part of Jindal Organisation, one of the largest business house in India having a turnover of over 3 billion US\$.

Mr. Jindal is a member of the Bombay Chapter of the Young Presidents' Organisation. He is also a Member of Board of Directors of Indian Institute of Management, Indore, National Shipping Board and Tirumala Tirupati Devasthanams Board. He is a keen sportsman & avid squash player with an interest in art, theatre & culture.

Mr. Jindal is a young and dynamic entrepreneur who believes that India is a global destination for industry and trade. He is a strong supporter of team building and core competence. He believes that the key to success for any entrepreneur is to change his business model ahead of time.

***Mr. K. N. Patel***

Kantilal Narandas Patel is a Commerce Graduate from Mumbai University and Fellow Member of Institute of Chartered Accountants of India.

He was with Standard Industries Limited for 21 years prior to joining the Jindal Group. He joined Jindal Iron & Steel Company Limited (erstwhile) as Vice President (Finance) in August, 1995 and was responsible for Corporate Finance, Accounts and Taxation. He has made significant contribution in the areas of Financial Management, Management Information Systems and Corporate Taxation. He also acted as Director (Commercial) & Director (Corporate Affairs) of JISCO.

Mr. K. N. Patel is also Director of Jindal Steel & Alloys Limited, Sapphire Technologies Limited, Jindal Technologies and Management Services Private Limited & other companies.

His personal interest lies in reading, light music, theatre and sports.

***Mr. N. K. Jain***

Mr. Nirmal Kumar Jain, 58, is currently Chairman of Southern Iron And Steel Company Limited & Jindal Praxair Oxygen Company Private Limited and Vice Chairman of Jindal Thermal Power Company Limited. He was Executive Vice Chairman of Jindal Iron & Steel Company Limited (JISCO – now merged with JVSL).

Joining as General Manager – Finance in 1992, he led JISCO's tremendous growth in turnover. He made significant contributions in the areas of Strategic Planning, Project Identification & Appraisal, Corporate Financial Management and also Human Resources.

From inception, Mr. Jain has been closely associated with Jindal Vijayanagar Steel Limited, integrated steel plant, which is implemented by Jindal Organisation with JISCO as the lead promoter. He was also involved in negotiating the joint venture collaboration of JVSL with Tractebel of Belgium for setting up the 2 x 130 mw Power Plant and with Praxair of USA for 2 x 2500 tpd air separation plant.

He is Chairman of JSW Power Limited and also director of other Jindal Group Companies.

Having extensively traveled to Asia, Europe and USA, he has gained enormous insights into the workings of many successful companies overseas. Mr. Jain has been invited as a core member of various corporate management groups.

Mr. Jain holds a fellowship from the Institute of Chartered Accountants and The Institute of Company Secretaries of India. He was with Permanent Magnets Limited for 22 years, prior to joining the Jindal Organisation.

His professional interests include management development / training and his personal interests lie in yoga, light music, theatre and reading.

***Dr. S. K. Gupta***

Dr. Gupta is B.Sc. (Met. Engg.); Ph.D. (Tech.); D.Sc. (Tech.)

Formerly:

Prof. & Head of Metallurgical Engineering, Indian Institute of Technology, Bombay.  
Managing Director, Mishra Dhatu Nigam Ltd., (Super Alloys Plant), Ministry of Defence, Hyderabad  
Director, R&D Centre, & Member, Board of Directors, SAIL.  
Managing Director, Rourkela Steel Plant, SAIL.  
Chairman-cum-Managing Director, MECON Ltd.  
Independent Technical/Management Consultant to:

- Voest-Alpine Industrieanlagenbau GmbH, Linz, Austria
- The Caparo Group, London
- The Government of Orissa

President/Managing Director/Executive Vice Chairman, Jindal Vijayanagar Steel Ltd.

Part-time Director - Industrial Development Bank of India, Hindustan Zinc Ltd., Indian Iron & Steel Co. Ltd., Sponge Iron India Ltd., Vishakapatnam Steel Plant (RINL), Bharat Bhari Udyog Nigam Ltd.; Tata Refractories Ltd; Central Mine Planning & Design Institute Ltd., Jindal Iron & Steel Company Ltd.; Jindal Praxair Oxygen Company Ltd.

Chairman, Task Force on 'Steel Growth Plan till 2010', Government of India, Chairman, Iron & Steel Division, Indian Institute of Metals, Calcutta; Chairman, Research Council, Central Fuel Research Laboratory, Dhanbad; President - Indian Institute of Metals, Calcutta.

Member - Executive Board, Standing Conference of Public Enterprises (SCOPE); Committee of Technology, International Iron & Steel Institute, Belgium; Board of Governors, National Institute of Foundry & Forge Technology, Research Council, Regional Research Laboratory, Bhubaneswar; Several National Committees constituted by the Ministry of Steel, Department of Science & Technology, CSIR, etc.

UNESCO Fellow to Moscow Steel Institute  
Distinguished Alumnus Award, B.I.T., Sindri  
Metallurgist of the year Award - 1980  
Honorary Member - Indian Institute of Metals, Calcutta-1995  
National Metallurgist Award - 1998.

Published over 75 research papers in India and abroad on technology and management.  
Holds three patents. Editor of a Monograph on Blast Furnace Iron making.

***Mr. Atul Desai***

Mr. Atul Desai born on January 27, 1950 is B. Sc., LL.B., Solicitor & Advocate.

Work Experience of Mr. Desai :

- Joined M/s Kanga & Co., Advocates & Solicitors, reputed Law Firm as solicitor Assistant in November, 1974.
- Became a partner of M/s Kanga & Co., on 01-04-1980
- Has attended to about 100 mergers and amalgamations and demergers in the Bombay High Court.
- Has attended to a large number of arbitrations involving commercial disputes and disputes under Building Contracts and Turn-key Contracts.

**Mr. Shailesh Haribhakti**

Shailesh Haribhakti is a senior Chartered Accountant and Managing Partner of Haribhakti & Co., and CEO of Haribhakti Group, having a presence of more than five decades in the areas of accounting, financial and management services in India. He has been with the Group since 1978.

Mr. Haribhakti has made vast contributions to the corporate world and society through various leadership roles. He served as the President of Indian Merchants' Chamber for 2003- 04 and as Chairman – Corporate Governance Committee of ASSOCHAM in 2001. He also served as ASSOCHAM Nominee on the J.R. Verma Committee on Sweat Equity, ESOPs & Privately Placed Equity and on the Naresh Chandra Committee on Corporate Governance.

His contribution to the corporate world and society comes through the leadership roles, some of which are given below:

- President – Indian Merchants' Chamber 2003-04
- Chairman - Information Technology Committee of the Indian Merchants' Chamber (IMC) 2001
- Chairman – Corporate Governance Committee of ASSOCHAM 2001
- Arbitrator – Appointed by Indian Council of Arbitration. 2001
- President – Institute of Internal Auditors Bombay Chapter 1989-90
- President – Bombay Management Association 1988-89
- Chairman – Western India Regional Council – Institute of Chartered Accountants 1987-88

He has given lectures on various subjects like Corporate Governance, Accounting Standards, IT in today's business scenario and Valuation. He writes prolifically on the web and in various newspapers and magazines.

He is on the Board of some reputed listed Companies also.

**Compensation of Managing Directors / Whole time Directors**

An agreement being executed between JSWHL and Mr. K. N. Patel setting out the detailed terms and conditions of his appointment as Jt. Managing Director & CEO of JSWHL. This draft agreement will be available for inspection at the registered office of the Company.

Mr. K. N. Patel who is the Jt. Managing Director & CEO is eligible to the following compensation:

1. **Period** : Five years from 28.04.2005 to 27.04.2010.
2. **Remuneration** :
  - (a) The remuneration of the Jt. Managing Director & CEO will be so fixed by the Board of Directors from time to time that the Salary, Perquisites and allowances shall not exceed overall ceiling of Rs. 6 lacs per month. Further, the aggregate value of all the perquisites and allowances like furnished accommodation or HRA in lieu thereof, house maintenance allowance together with reimbursement of expenses or allowances for utilities such as electricity, furnishings and repairs; Bonus; Performance Incentive; medical reimbursement; club fees and leave travel concession for himself and his family; medical insurance, retention bonus and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors and Mr. Patel shall not exceed a maximum ceiling of 125% of his Basic Salary.
  - (b) Currently the remuneration of Jt. Managing Director & CEO, within the overall ceiling as mentioned above has been fixed as under: -

Basic Salary : Rs. 1,70,000/- (Rupees One Lakh Seventy Thousand Only) per month.

*Subject to revision from 1<sup>st</sup> April each year and the revision will be decided by the Board taking into account the recommendations of the Remuneration Committee.*

In addition, perquisites and allowances as above shall be paid/provided in accordance with the rules of the Company subject to ceiling of 125% of the Basic Salary.

### 3. **Provident Fund, Superannuation etc.**

The following perquisites shall not be included in the computation of the ceiling on remuneration specified above:

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- b) Gratuity as per rules of the Company (which shall not exceed one half month's Salary for each completed year of Service); and
- c) Encashment of leave at the end of the tenure.

For the purposes of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable.

### 4. **Car & Telephone**

Provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

### 5. **Sitting Fees**

Mr. Patel, Jt. Managing Director & CEO of the Company shall not be subject to retirement by rotation and shall not be eligible for any sitting fees for attending the Company's Board or Committee Meetings.

In the event of loss or inadequacy of profits in any financial year, the Jt. Managing Director & CEO shall be paid remuneration by way of salary and perquisites as specified above, subject to the approval of Central Government, if required.

## **Corporate Governance**

The provisions of the listing agreement to be entered into with the Stock Exchanges with respect to Corporate Governance will be applicable to JSWHL immediately upon the listing of its Equity Shares on the Stock Exchanges.

JSWHL has already appointed independent directors to its Board and has also constituted the Audit Committee, Shareholders/Investors Grievances Committee and Remuneration Committee as required by Clause 49 of the listing agreement to be entered into with the Stock Exchanges.

Details are as follows: -

Board of Directors	Category	Member of		
		Audit Committee	Investors/Shareholder Grievance Committee	Remuneration Committee
Mr. Sajjan Jindal	Non-Executive	--	--	--
Mr. K. N. Patel	Jt. Managing Director & CEO	--	--	--

Mr. N. K. Jain	Non-Executive	√	√	√
Dr. S. K. Gupta	Independent	--	√	√
Mr. Atul Desai	Independent	√	√	√
Mr. Shailesh Haribhakti	Independent	√	--	--

JSWHL undertakes to adopt the Corporate Governance Code as per Clause 49 of the listing agreement to be entered into with the Stock Exchanges prior to listing.

#### Shareholding of Directors

Name of Director	No of Shares of JISCO as on February 25, 2005 (i.e. the record date)	No of Shares of JSWHL allotted as per the Scheme
Mr. Sajjan Jindal	12,760	3,189
Mr. K. N. Patel	2,200	550
Mr. N. K. Jain	19,600	4,900
Dr. S. K. Gupta	984	246
Mr. Atul Desai	--	--
Mr. Shailesh Haribhakti	--	--

#### Interest of the Directors

Mr. K. N. Patel is Jt. Managing Director & CEO.

Other than as stated above and the respective shareholding of the directors mentioned above, the directors of JSWHL have no other interest in JSWHL.

#### Term of Office

All the directors are liable to retire by rotation except Mr. K. N. Patel, who has been appointed as the Jt. Managing Director & CEO of the Company for a period of 5 (five) years w.e.f. April 28, 2005.

#### Change in Board of Directors of JSWHL since its inception

Name	Date of Appointment	Date of Resignation	Reasons
Mr. Sajjan Jindal	Since incorporation	--	Appointed as Director
Mr. K. N. Patel	28.04.2005	--	Appointed as Jt. Managing Director & CEO
Mr. N. K. Jain	Since incorporation	--	Appointed as Director
Dr. S. K. Gupta	Since incorporation	--	Appointed as Director
Mr. Atul Desai	31.01.2005	--	Appointed as Additional Director
Mr. Shailesh Haribhakti	31.01.2005	--	Appointed as Additional Director

#### Management Organization Structure of JSWHL

Mr. K. N. Patel has been appointed as Jt. Managing Director & CEO w.e.f April 28, 2005 and is responsible for the management of day-to-day affairs of the Company under the over all supervision and control of the Board of Directors. Mr. Virendra Samani is appointed as Company Secretary and is looking after the Secretarial, Legal and Administration work of the Company, reporting to Mr. K.N. Patel. Mr. Manoj Kumar Mohta has been appointed as Deputy General Manager. Mr. Mohta is responsible for Management Services Division and reports to Mr. Patel, Jt. Managing Director & CEO.

**Shareholding of the key managerial personnel**

There are no key managerial personnel holding shares in JSWHL, except as stated below:

Name of Key Managerial Personnel	No of Shares of JISCO as on February 25, 2005 (i.e. the record date)	No of Shares of JSWHL allotted as per the Scheme
Mr. K. N. Patel	2200	550

**Bonus or Profit Sharing Plan for key managerial personnel**

There is no bonus or profit sharing plan for key managerial personnel.

**Changes in key managerial personnel since inception**

There is no change in key managerial personnel since its inception, except as stated below:

Mr. K. N. Patel has been appointed as Jt. Managing Director & CEO of the Company w.e.f. April 28, 2005.

**Auditors**

M/s Shah Gupta & Co., Chartered Accountants, Mumbai is appointed as the Auditors of JSWHL. There has been no change in the Auditors since incorporation.

**Employees**

At present, there are Three (3) employees of JSWHL.

**PROMOTERS/PROMOTER GROUP COMPANIES AND ASSOCIATED COMPANIES**

Educational Qualification: B.E. (Mech.)

Driving License No.: 44304/Hissar

Passport No.: F 0256563

Mr. Sajjan Jindal, aged 46 years, is Chairman of the Company. He was instrumental in setting up JVSL. He has more than twenty years experience in the industry. He was the Chairman and Managing Director of erstwhile JISCO and the Managing Director of JVSL. Consequent to the merger of the two companies, Mr. Jindal is the Vice Chairman and Managing Director of the merged entity. He is also the Chairman of Jindal Thermal Power Company Limited and Twenty-First Century Printers Limited. Mr. Jindal is the director in Jindal Aluminum Limited and South West Port Limited. He is also the director of Indian Institute of Management, Indore and a member of TTD Development Advisory council and Bombay chapter of the Young President Organization.

The group companies have been classified into the Promoter Companies, Promoter Group Companies and Associate Companies as given below.

**(A) Promoter Companies****(1) Jindal Strips Limited (JSL)**

The company was promoted by Late Shri O.P. Jindal and was incorporated on November 18, 1970 as Jindal Strips Private Limited. The name of the company was changed to Jindal Strips Limited on May 5, 1975. Subsequent to restructuring, the company is now a Non Banking Finance Company, mainly dealing and investing in securities.

The board of directors of the company comprises Mr. Ratan Jindal, Mrs. Deepika Jindal, Mr. Rajinder Parkash, Mr. H.V. Mishra, Mr. R.G. Garg and Mr. Rakesh Garg.

**Shareholding Pattern**

The shareholding pattern as on March 31, 2005 is as follows:

Sr. No.	Category	No. of shares	% of shareholding
<b>A.</b>	<b>Promoter's holding</b>		
1	<b><u>Promoters:</u></b>		
	Indian Promoters:		
i	Gagan Trading Co. Ltd.	133,248	2.59
ii	Sun Investments Ltd	504,738	9.83
iii	Colorado Trading Co. Ltd.	112,794	2.20
iv	Everplus Securities & Finance Ltd	62,861	1.22
v	Mansarover Investments Ltd.	206,158	4.01
vi	Nalwa Investments Ltd.	92,683	1.80
vii	Stainless Investments Ltd.	78,395	1.53



	viii	Manjula Finances Ltd	54,923	1.07
	ix	Vrindavan Services P.Ltd	268,565	5.23
	x	Hexa Securities & Finance Co.Ltd	125,729	2.45
	xi	Jindal Equipment Leas & Con. Ser.Ltd	311,393	6.06
	xii	Saw Pipes Ltd./Jindal Saw Ltd	141,994	2.76
	xiii	OCBs	488,611	9.51
	xiv	Others	274,687	5.35
	-Foreign Promoters			
2	Persons acting in concert		185	0.00
		<b>Sub-total (A)</b>	<b>2,856,964</b>	<b>55.62</b>
	<b>B. Non-Promoters Holding</b>			
3	Institutional Investors			
a.	Mutual Funds and UTI		1,565	0.03
b.	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions / Non- Government Institutions)		30,437	0.59
c.	FIIs.		778	0.02
		Sub-total (3)	32,780	0.64
4	<b>Others:</b>			
a.	Private Corporate Bodies		186,268	3.63
b.	Indian Public			
	i.	Sunil Kumar Jain	109,000	2.12
	ii	Chamanlal Desai (HUF)	55,361	1.08
	iii	Others (Indian Public)	1,205,751	23.48
c.	NRIs/ NRI Companies			
	i	Ricky Ishwardas Kirpalani	312,145	6.08
	ii	Keswani Haresh	257,229	5.01
	iii	Others (NRIs /NRI Companies)	120,611	2.35
d.	Any other (Pending allotment)		54	0.00
		<b>Sub-total (4)</b>	<b>2,246,419</b>	<b>43.74</b>
		<b>Sub-total (B)</b>	<b>2,279,199</b>	<b>44.38</b>
		<b>Grand-total (A+B)</b>	<b>5,136,163</b>	<b>100.00</b>

### Financial performance

The financial performance of the company (Rs. in crores) is given below:

	2003-04	2002-03	2001-02
Share capital - Equity	5.13	5.13	18.91
Reserves and surplus (excluding revaluation reserves)	249.26	293.46	446.41
Sales (including Excise duty)	-	-	1484.00
Interest and Dividend Income	12.44	11.56	1.07
Other Income	-	-	8.61
PAT	(44.19)	2.70	31.65
Dividend (%)	-	60%	40%
EPS (Rs.)	(86.05)	5.26	15.99
BV (Rs.)	495.22	81.24	253.66

**Stock Market Data**

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
September 04	208.90	197.10	210.00	197.00
October 04	242.90	197.10	239.00	196.00
November 04	243.30	216.05	245.00	218.25
December 04	284.00	222.50	282.00	230.00
January 05	294.00	251.00	292.60	250.00
February 05	360.00	252.30	365.80	268.00
March 05	310.00	244.90	330.00	250.00

The market price of shares of the company (as on March 31, 2005) on BSE was Rs. 257.15 and the market capitalization was Rs. 132.08 crores.

The company has engaged the services of a Registrar & Transfer Agent to handle the grievances of the investors. The average time taken by the company for redressal of complaints varies from 7 to 20 days, depending on the type of complaint. Particulars of investor complaints during the period April 2004 to March 2005 are as follows: Complaints Received: 540, Resolved/Replied: 520 and Pending:20.

**(2) Jindal Holdings Limited**

The Company was incorporated on February 6, 1990 in the State of Maharashtra and thereafter the registered Office of the company was shifted to State of Haryana on November 9, 1998. It is registered with RBI as Non Banking Finance Company and main business is to deal in securities. The Board of directors of the company comprises Mr. Madan Lal Gupta, Mr. Rajendar Gupta and Mr. Mahesh Jain.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of the Shareholder	No. of Shares	% of shareholding
Mr. Om Prakash Jindal	10	0.0001
Mr. Prithviraj Jindal	10	0.0001
Mr. Ratan Jindal	15	0.0001
Mr. Sajjan Jindal	10	0.0001
Mr. Naveen Jindal	10	0.0001
Mr. Sushil Bhuwalka	10	0.0001
Jindal Strips Ltd	16085755	86.9509
Jindal Steel & Power Ltd	2414000	13.0488
<b>Total</b>	<b>18499820</b>	<b>100.0000</b>

**Financial performance**

The financial performance of the company (Rs. in lacs) is given below:

Particulars	FY03-04	FY02-03	FY01-02
Share capital	1849.98	1849.98	1849.98
Reserves and surplus (excluding revaluation reserves)	5699.12	5699.12	5699.12
Turnover /receipts	24.37	83.13	5.01
Profit /(loss) after tax	(298.70)	(77.63)	(216.08)
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	-	-	-
BV (Rs.)	32.05	33.67	34.08

### (3) Stainless Investments Limited

This Company was incorporated on September 15, 1982 as a Private Limited Company and converted into a public limited company. The Company was registered with Reserve Bank of India as Non Banking Financial Company (not accepting public deposit) on 12<sup>th</sup> March 1998. The Company is engaged in the business of finance, Investment and finance related consultancy services. The Board of directors of the company comprises Mr. Mahender Kr. Goel, Mr. Sunil Mittal and Mr. P. D. Sharma.

#### Shareholding Pattern

The shareholding pattern is as follows:

Name of the Shareholder	No. of Shares	% of shareholding
Mansarover Investments Ltd	1,040,000	6.21
Ever plus Securities & Finance Ltd	160,000	0.95
Jindal Steel & Power Ltd.	1,242,000	7.41
Jindal Strips Ltd	1,025,000	6.12
Jindal Equipment Leasing & Cons. Services Ltd	640,000	3.82
M/s R.K. Investment	47,450	0.28
M/s R. P. Investments	52,200	0.31
Beaufield Holdings Ltd	2,420,000	14.44
Templar Investment Ltd.	2,420,000	14.44
Estrella Investment Co. Ltd.	2,420,000	14.44
Heston Securities Ltd.	2,420,000	14.44
Pental Holding Ltd.	2,320,000	13.84
Other individuals/HUFs	551,525	3.29
<b>Total</b>	<b>16,758,175</b>	<b>100.00</b>

#### Financial performance

The financial performance of the company is given below:

Particulars	FY03-04	FY02-03	FY01-02
Share capital	167,581,750	167,581,750	167,581,750
Reserves and surplus (excluding revaluation reserves)	181,433,250	181,433,250	181,433,250
Sales/Revenue	27,627,112.61	17,658,954.06	4,732,457.10
PAT	12,256,927.72	441,717.08	(10,477,983.92)
Dividend (%)	NIL	NIL	NIL
EPS (Rs.)	0.74	0.05	(0.62)
BV (Rs.)	18.3	17.60	17.55

**(4) Mansarover Investments Limited**

Mansarover Investments Ltd was incorporated on June 8, 1981 as a Private Limited Company and subsequently became a public limited company. The Company was registered as NBFC with Reserve Bank of India (not accepting public deposit) on September 25, 1998. The Company is engaged in the business of finance, Investment and finance related consultancy services. Board of directors of the company comprises Mrs. Shallu Jindal, Mr. Ashok Goel and Mr. D. K. Goel.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of the Shareholder</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Abhinandan Investments Ltd.	115,500	0.83
Stainless Investments Ltd.	912,800	6.54
Vrindavan Services Pvt. Ltd.	223,500	1.60
Manjula Finances Ltd.	199,500	1.43
Jindal Holdings Ltd.	300,000	2.15
Jindal Equipment Leasing & Cons. Services Ltd	1,697,500	12.17
Jindal Strips Ltd.	10,85,000	7.78
Beaufield Holding Ltd.	1,816,000	13.01
Templar Investment Ltd.	1,816,000	13.01
Estrella Investment Co. Ltd.	1,816,000	13.01
Heston Securities Ltd.	1,816,000	13.01
Pental Holding Ltd.	1,816,000	13.01
Other individuals/HUFs	340,000	2.44
<b>Total</b>	<b>13,953,800</b>	<b>100.00</b>

**Financial performance**

The financial performance of the company is given below

<b>Particulars</b>	<b>FY03-04</b>	<b>FY02-03</b>	<b>FY01-02</b>
Share capital	1,39,538,000	1,39,538,000	1,39,538,000
Reserves and surplus (excluding revaluation reserves)	218,823,000	218,823,000	218,823,000
Sales/Revenue	35,517,726	15,828,783	13,038,383
PAT	21,124,442	2,856,0023	(22,597,831)
Dividend (%)	NIL	NIL	NIL
EPS (Rs.)	1.5	0.22	1.61
BV (Rs.)	20.68	19.17	18.9

**(5) Jindal Equipment Leasing and Consultancy Services Limited**

The Company was incorporated on March 29, 1984 as Jindal Equipment And Finance Limited. With effect from August 7, 1986 the name of the company was changed to Jindal Equipment Leasing & Consultancy Services Limited .The Company is registered with RBI to carry on the business of Non Banking Financial Company. The Board of directors of the company comprises Mr. Ratan Jindal, Mr. S. S. Saxena and Mr. D. K. Goel.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of the Shareholder</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Abhinandan Investments Ltd.	248,300	3.21
Mansarover Investments Ltd.	1,531,000	19.80
Sun Investments Pvt. Ltd.	521,000	6.74
Vrindavan Services Pvt. Ltd.	1,127,000	14.57
Stainless Investments Ltd.	1,465,500	18.95
Renuka Financial Services Ltd	285,000	3.69
Jindal Holdings Ltd.	500,000	6.47
Aras Overseas P.Ltd.	100,000	1.29
Musuko Trading P. Ltd.	100,000	1.29
Jindal Strips Ltd.	13,20,000	17.07
Gagan Trading Co Ltd.	115,000	1.49
Other individuals/HUFs	419,900	5.43
<b>Total</b>	<b>7,732,700</b>	<b>100.00</b>

**Financial performance**

The financial performance of the company is given below

<b>Particulars</b>	<b>FY03-04</b>	<b>FY02-03</b>	<b>FY01-02</b>
Share capital (Issued, Subscribed & paid-up)			
7,732,700 Equity Shares of Rs. 10/-each	77,327,000	77,327,000	77,327,000
2,30,000 10% Cumulative Redeemable Preference Shares of Rs. 100/-each	23,000,000	23,000,000	23,000,000
Reserves and surplus (excluding revaluation reserves)	302,750,000	302,750,000	302,750,000
Sales	65,630,792	40,531,476	19,003,600
PAT	48,394,327	11,193,570	(10,815,568.)
Dividend (%)	NIL	NIL	NIL
EPS (Rs.)	6.26	1.45	(1.39)
BV (Rs.)	40.77	34.51	33.06

**(6) Nalwa Investments Limited**

The Company was incorporated on February 6, 1981 and is engaged in the business of finance, Investment and finance related consultancy services. On March 21, 1998 the Company got registered with Reserve Bank of India as Non Banking Financial Company (not accepting public deposit). The Board of directors of the company comprises Mr. R. P. Jindal, Mr. S. S. Saxena and Mr. Subhash Chandra Sharma.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of the Shareholder	No. of Shares	% of shareholding
Abhinandan Investments Ltd.	1,400	0.31
Sun Investments Ltd.	32,350	7.19
Everplus Sec. & Finance Ltd.	112,000	24.89
O.P.Jindal	19,550	4.34
R.K.Jindal & Sons HUF	5,650	1.26
S.K.Jindal & Sons HUF	23,150	5.14
P.R.Jindal HUF	23,100	5.13
Naveen Jindal & Sons HUF	34,850	7.74
Others/individuals/HUFs	197950	43.99
<b>Total</b>	<b>450,000</b>	<b>100.00</b>

### **Financial performance**

The financial performance of the company is given below

Particulars	FY03-04	FY02-03	FY01-02
Share capital (Issued, Subscribed & Paid-up)			
4,50,000 Equity Shares of Rs. 10/-each	4,500,000	4,500,000	4,500,000
1,400,000 10% Cumulative Redeemable Preference Shares of Rs. 100/-each	140,000,000	140,000,000	140,000,000
Reserves and surplus (excluding revaluation reserves)	Nil	Nil	Nil
Sales/Revenue	36,713,705	39,701,101	12,038,222
PAT	23,457,753.34	(2,517,572.35)	(8,221,356.59)
Dividend (%)	NIL	NIL	Nil
EPS (Rs.)	52.13	(5.59)	(18.26)
BV (Rs.)	(136.8)	(189)	(183.5)

This company is listed on Delhi Stock Exchange Associations Limited. There has been no trading in shares in preceding six months

### **(7) Abhinandan Investments Limited**

The Company was incorporated on April 6, 1983 and is engaged in the business of finance, Investment and finance related consultancy services. On March 19, 1998, the Company got registered with Reserve Bank of India as Non Banking Financial Company (not accepting public deposit). The Board of directors of the company comprises Mrs. Deepika Jindal, Mr. Sunil Mittal and Mr. Parmod Garg.

### **Shareholding Pattern**

The shareholding pattern is as follows:

Name of the Shareholder	No. of Shares	% of shareholding
Arti Jindal	200	0.10
Naveen Jindal	10,700	5.35
Sajjan Jindal	100	0.05
S.K.Jindal & Sons HUF	10,650	5.33

Savitri Devi Jindal	10,650	5.33
Deepika Jindal	13,850	6.93
P.R.Jindal - HUF	10,650	5.33
Ever plus Securities & Finance Ltd	23,650	11.83
Sun Investments Pvt. Ltd	10,000	5.00
Stainless Investments Ltd	500	0.25
Mansarover Investments Ltd	1,000	0.50
Nalwa Investments Ltd	8,000	4.00
Jindal Strips Ltd	8,000	4.00
Others	92,050	46.03
<b>Total</b>	<b>200,000</b>	<b>100.00</b>

Shares of the Company were listed on November 28, 1983 on Delhi Stock Exchange Associations Limited. There has been no trading in shares in preceding six months.

### **Financial performance**

The financial performance of the company is given below

<b>Particulars</b>	<b>FY03-04</b>	<b>FY02-03</b>	<b>FY01-02</b>
Share capital (Issued, Subscribed & Paid-up)			
2,00,000 Equity Shares of Rs. 10/-each	2,000,000	2,000,000	2,000,000
8,10,000 10% Cumulative Redeemable Preference Shares of Rs. 100/-each	81,000,000	81,000,000	81,000,000
Reserves and surplus (excluding revaluation reserves)	Nil	Nil	Nil
Sales/Revenue	23,409,812	20,986,741	13,132,127
PAT	18,255,907.37	(3,086,060.70)	(7,502,945.43)
Dividend (%)	NIL	NIL	Nil
EPS (Rs.)	91.28	(15.43)	(37.51)
BV (Rs.) (Equity Shares only)	(199.9)	(291.3)	(276)

### **(8) Jindal Saw Limited**

The company was incorporated on October 31, 1984 as Saw Pipes Ltd. The name of the company was changed to Jindal Saw Ltd. w.e.f. January 11, 2005. The company is an established player in the country for manufacturing and coating large diameter Submerged Arc Welded (SAW) line pipes. Swastik Foils was amalgamated into the company in 1988-89. As part of backward integration, Swastik Udyog, a subsidiary of Jindal Strips, which produces thicker gauge steel strips, was merged with the company in 1991-92. The company is a global player in the field of energy transportation with state-of-the-art facilities in four locations in India and is also involved in the manufacture of pipes including seamless pipes and coating thereof.

The board of directors of the company comprises Smt. Savitri Devi Jindal (Chairperson) Mr. P. R. Jindal, Ms. Sminu Jindal, Mr. H. S. Chaudhary, Mr. Moosa Raza, Mr. Purshottam Lal, Mr. Devi Dayal, Mr. A.J.A. Tauro, Mr. M. V. Satya Prasad and Mr. Kuldip Bhargava.

### **Shareholding Pattern**

The shareholding pattern as on March 31, 2005 is as follows:

	Category	No. of shares	% of shareholding
A.	<b>Promoters Holding</b>		
1.	<b>Promoters:</b>		
	- Indian Promoters	17,755,558	45.55
	- Foreign Promoters	3,702,100	9.50
2.	<b>Persons acting in concert</b>	--	--
	<b>Sub - Total</b>	<b>21,457,658</b>	<b>55.05</b>
B.	<b>Non Promoters' Holding</b>		
3.	<b>Institutional Investors</b>	--	--
a.	Mutual Funds and UTI	2,874,355	7.37
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institution.	97,800	0.25
c.	Foreign Institutional Investors	1,659,264	4.26
	<b>Sub - Total</b>	<b>4,631,419</b>	<b>11.88</b>
4.	<b>Others</b>		
a.	Private Corporate Bodies	1763356	4.52
b.	Indian Public	4864705	
c.	NRIs / QCBs	6262320	
d.	Any other (please specify)	--	--
	<b>Sub - Total</b>	<b>12,890,381</b>	<b>33.07</b>
	<b>Grand Total</b>	<b>38,979,458</b>	<b>100.00</b>

### Financial performance

The financial performance of the company (Rs. in crores) is given below:

	2003-04	2002-03	2001-02
Equity Share capital	38.98	38.98	46.48
Reserves and surplus (excluding revaluation Reserves)	335.56	290.34	225.68
Sales (including Excise duty)	1123.30	804.96	754.13
PAT	56.24	76.08	42.34
Dividend (%)	25%	25%	15%
EPS (Rs.)	14.43	19.41	10.32
BV (Rs.)	102.58	91.90	76.35

### Stock Market Data

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
October 04	200.95	188.00	205.00	183.05
November 04	236.60	182.25	236.30	180.05
December 04	242.80	212.00	244.35	215.00
January 05	242.05	191.30	242.90	192.50
February 05	285.50	235.60	287.00	235.50
March 05	304.40	249.90	305.00	250.00

The market price of shares of the company (as on April 5, 2005) on BSE was Rs. 287.50 and the market capitalization was Rs. 1120.65 crores.

The company has engaged the services of a Registrar & Transfer Agent to handle the grievances of the investors. The average time taken by the company for redressal of complaints is up to 15 days, depending on the type of complaint. Nil complaints were received and pending from Equity shareholders during the period December, 2004 to March, 2005.



**(9) Colorado Trading Company Limited**

This Company was incorporated on January 17, 1983 and is in the business of investment and trading in shares. The Board of directors of the company comprises Mr. L. R. Jain, Mr. M. P. Swami and Mr. R. R. Gupta.

**Shareholding Pattern**

The shareholding pattern is as follows:

	<b>CATEGORY</b>	<b>No. of shares</b>	<b>% of shareholding</b>
A.	<b>PROMOTERS HOLDING</b>		
1.	Directors	100	0.04%
2.	<b>Persons acting in concert</b>	-	-
	Sub - Total	100	0.04%
B.	<b>NON PROMOTER'S HOLDING</b>		
3.	Institutional Investors	-	-
a.	Mutual Funds and UTI	-	-
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non- Govt. Institution.	-	-
c.	Foreign Institutional Investors	-	-
	Sub - Total	-	-
4.	<b>Others</b>		
a.	Private Corporate Bodies	41300	17.21%
b.	Indian Public	198600	82.75%
c.	NRI's / QCBs	-	-
d.	Any other (please specify)	-	-
	Sub - Total	239900	99.96%
	<b>GRAND TOTAL</b>	<b>240000</b>	<b>100.00%</b>

Shares of the Company listed in April, 1983 on Calcutta Stock Exchange Association Limited and no trading has taken place during last 6 months. The Company has not issued any rights or a public shares in last five years.

**Financial performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>FY-03-04</b>	<b>FY-02-03</b>	<b>FY-01-02</b>
Share capital (including preference share capital)	224	224	224
Reserves and surplus (excluding revaluation reserves)	0.89	0.89	0.89
Sales	Nil	Nil	Nil
PAT	74.00	(1.41)	(203.56)
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	30.84	(0.59)	(84.82)
BV (Rs.)	10.37	10.37	10.37

**(10) Gagan Trading Company Limited**

The Company was incorporated on January 31, 1983 as a public limited company. It is into the business of investments, trading in securities and providing management consultancy services. Board of directors of the company comprises Mr. Rajeev Pai, Mr. P.R. Kole and Mr. Bavneesh Gulati.

<b>Shareholders</b>	<b>No. of shares</b>	<b>% of shareholding</b>
Sun Investments Pvt. Ltd.	67,60,000	39.40
Pentel Holdings Ltd.	20,30,000	11.83
Beaufield Holdings Ltd.	20,30,000	11.83
Estrella Investments Ltd.	20,30,000	11.83
Templar Investments Ltd.	20,30,000	11.83
Heston Securities Ltd.	20,30,000	11.83
Others	2,49,000	1.45
<b>Total</b>	<b>1,71,59,000</b>	<b>100.00</b>

### **Financial performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>FY 04</b>	<b>FY 03</b>	<b>FY 02</b>
Equity Share Capital	1715.90	1715.90	1715.90
Reserve and Surplus (excluding revaluation reserve)	(3241.90)	(3344.65)	(3150.68)
Income	533.79	471.99	54.09
PAT	102.75	(193.97)	(2168.42)
Dividend	-	-	-
EPS (Rs.)	*(0.65)	*(2.38)	(12.64)
BV (Rs.)	(8.91)	(9.52)	(8.40)

\* EPS has been arrived at after considering Dividend on Redeemable Cumulative Preference Shares.

The shares of the Company are listed on the Calcutta & Uttar Pradesh Stock Exchanges. The Company has not come out with any Rights or Public issue in the last five years.

### **(11) Vrindavan Services Private Limited (VSPL)**

Vrindavan Services Private Limited was incorporated on April 8, 1982 as a Private Limited Company and converted into a public limited company "Vrindavan Services Ltd." with effect from March 29, 1997. The company was reconverted into a private limited company on April 5, 2002. The company is carrying on the business of investments, trading in securities and providing management consultancy services. Board of directors of the company comprises Mr. R. Jayaraman, Mr. Bavneesh Gulati, Mr. P.R. Kole and Mr. K.S.N. Sriram.

### **Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of the Shareholder</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Sun Investments Pvt. Ltd.	7,880,000	21.71
Gagan Trading Co. Ltd.	5,000,000	13.77
Mendeza Holding Ltd.	3,877,450	10.68
Nacho Investments Ltd.	2,564,250	7.06
Sarmento Holdings Ltd.	2,564,100	7.06
Beaufield Holdings Ltd.	2,369,600	6.53
Heston Securities Ltd.	2,269,900	6.25

Templar Investments Ltd.	2,269,800	6.25
Pentel Holdings Ltd.	2,269,000	6.25
Estrela Investment Co. Ltd.	2,269,000	6.25
Jindal Holdings Ltd.	710,000	1.96
Jindal Coated Steel Pvt. Ltd.	625,000	1.72
Musuko Trading Pvt. Ltd.	340,000	0.94
Kamshet Investments Pvt. Ltd.	340,000	0.94
Wachovia Investments Pvt. Ltd.	340,000	0.94
Aras Overseas Pvt. Ltd.	340,000	0.94
Baltimore Trading Pvt. Ltd.	140,000	0.39
Jargo Investments Ltd.	65,500	0.18
Vavasa Investments Ltd.	64,400	0.18
Naman Enterprises Pvt. Ltd.	1,001	0.00
Mr. J. D. Jindal	401	0.00
<b>Total</b>	<b>36,299,402</b>	<b>100.00</b>

### **Financial performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>FY 04</b>	<b>FY 03</b>	<b>FY 02</b>
Equity Share Capital	3629.94	3518.24	1644.13
Share Application Money	-	-	50.00
Reserve and surplus (excluding revaluation reserve)	2681.40	2061.32	219.01
Income	355.40	141.51	58.50
PAT	249.98	(31.80)	(121.17)
Dividend	-	-	-
EPS (Rs.)	0.69	(0.09)	(0.74)
BV (Rs.)	17.39	15.86	11.33

### **(12) Sun Investments Private Limited**

Sun Investments Private Limited was incorporated on June 2, 1981 as a private limited company and converted into a public limited company "Sun Investments Ltd." with effect from October 15, 1990. The company was reconverted into a private limited Company on February 18, 2003. The company is in the business of investing, trading in securities and providing management consultancy services. Its board of directors comprises Mrs. Sangita Jindal (Managing Director), Mr. V. P. Garg, Mr. Deepak Bhat and Mr. Ashok Goel.

### **Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of Shareholder</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Jindal South West Holdings Limited	29,119,300	40.73
Jargo Investments Ltd.	11,119,300	5.55
Jindal Coated Steel Pvt. Ltd	5,513,700	7.71
Mendeza Holding Ltd.	4,760,100	6.66
Sarmiento Holdings Ltd.	4,207,800	5.89
Nacho Investments Ltd.	3,711,900	5.19
Estrela Investment Co. Ltd.	3,052,300	4.27
Pentel Holdings Ltd.	2,989,400	4.18

Beaufield Holdings Ltd.	2,347,200	3.28
Heston Securities Ltd.	2,033,600	2.84
Templar Investments Ltd.	2,033,000	2.84
Vavasa Investments Ltd.	239,900	0.34
Mr. Naveen K. Jindal	60,000	0.08
Mr. Abhuday Jindal	51,000	0.07
Ms. Sminu Jindal	46,100	0.06
Vrindavan Services Pvt. Ltd.	39,300	0.05
Mr. P .R. Jindal	30,700	0.04
Ms. Tanvi Jindal	23,500	0.03
Jindal Strips Ltd.	17,000	0.02
Ms. Savitri Devi Jindal	14,500	0.02
Ms. Sangita Jindal	13,400	0.02
Mr. Ratan K .Jindal	13,300	0.02
O. P. Jindal (HUF)	10,500	0.01
Mr. Om Prakash Jindal	10,100	0.01
Ms. Urvi Jindal	10,000	0.01
Ms. Tripti Jindal	8,800	0.01
Ms. Tarini Jindal	6,000	0.01
Ms. Deepika Jindal	6,000	0.01
Colorado Trading Co. Ltd.	5,000	0.01
Mr. Puran Chand Sharma	100	0.00
<b>Total</b>	<b>71,492,800</b>	<b>100.00</b>

### **Financial performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>FY 04</b>	<b>FY 03</b>	<b>FY 02</b>
Equity Share Capital	7149.28	7119.27	5827.30
Reserve and surplus (excluding revaluation Reserve)	12649.76	11796.13	10532.75
Income	4051.89	1828.61	4395.20
PAT	733.59	(28.58)	161.22
Dividend	-	-	-
EPS (Rs.)	1.03	(0.04)	0.28
BV (Rs.)	27.68	26.55	28.07

### **(13) Meredith Traders Private Limited**

Incorporated on August 11, 1993 as a private limited company, it is in the business of Investments and trading in securities. The Company's Board of Directors comprises of Mr. P. R. Kole and Mr. Deepak Bhat.

### **Shareholding Pattern**

The shareholding pattern is as follows:

<b>Shareholder</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Gagan Trading Company Ltd.	1,201,001	50.04
Vrindavan Services Pvt. Ltd.	898,999	37.46
Everplus Securities Pvt. Ltd.	300,000	12.50

Gauri Investments Pvt. Ltd.	1	0.00
Silky Investments Pvt. Ltd.	1	0.00
<b>Total</b>	<b>2,400,002</b>	<b>100.00</b>

### Financial performance

The financial performance of the company (Rs. in lacs) is given below:

Particulars	2003-04	2002-03	2001-02
Equity Share Capital (Shares of Rs. 100 each)	2400.00	2400.00	2400.00
Reserve and surplus Excluding revaluation reserve	(1889.11)	(4562.39)	(4574.99)
Income	3030.82	14.01	8.12
PAT	1801.59	12.60	(76.62)
Dividend	-	-	-
EPS Rs	75.07	0.52	(3.19)
BV Rs	21.13	(90.31)	(90.89)

### (14) Reynold Traders Private Limited

The Company was incorporated on September 1, 1993. It carries out activities of holding and letting out of property, investments in capital markets and providing consultancy services. The company's board of directors comprises Mr. R. Jayaraman and Mr. P. R. Kole.

### Shareholding Pattern

The shareholding pattern is as follows:

Shareholder	No. of Shares	% of shareholding
Mrs. Sangeeta S. Damani	1	50.00
Mr. Sunil Damani	1	50.00
<b>Total</b>	<b>2</b>	<b>100.00</b>

### Financial Performance

The financial performance of the company (Rs. in lacs) is given below:

Particulars	FY 04	FY 03	FY 02
Equity Share Capital (Shares of Rs.100 each)	0.002	0.002	0.002
Reserve and surplus (excluding revaluation reserve)	(670.40)	(725.08)	(715.45)
Income	115.86	19.53	16.60
PAT	54.58	(9.62)	(330.61)
Dividend	-	-	-
EPS (Rs.)	2729130	(481073)	(16530489)
BV (Rs.)	(33524543)	(36253673)	(35772825)

### (15) Templar Investments Limited

Templar Investments Limited was incorporated on June 30, 1997. It carries activities of investments and dealing in shares and securities. Board of directors comprises Mr. Prithvi Raj Jindal, Mr. Dev Joory, Mr. Couldip Basanta Lala and Mr. Pradip Gaad.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of Shareholder</b>	<b>No. of Ordinary Shares</b>	<b>% of shareholding</b>
Prithvi Raj Jindal	5,000	71.00
Pradip Gaad	1,800	26.00
International Trustees Limited	200	3.00
<b>Total</b>	<b>7,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (in US Dollars) is given below:

<b>Particulars</b>	<b>31.12.03</b>	<b>31.12.02</b>	<b>31.12.01</b>
Equity Share Capital	7000	7000	7000
Reserve and surplus (excluding revaluation reserve)	11396160	10831910	7240903
Income	575602	3784920	3016130
PAT	564250	3591007	2672687
Dividend	--	--	--
EPS	81	513	382
BV	1629	1548	1035

**(16) Heston Securities Limited**

Heston Securities Limited was incorporated on June 30, 1997. It carries activities of investments and dealing in shares and securities. Board of directors comprises Mr. Prithvi Raj Jindal, Mr. Pradip Gaad, Mr. Couldip Basanta Lala and Mr. Dev Joory.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of Shareholder</b>	<b>No. of Ordinary Shares</b>	<b>% of shareholding</b>
Prithvi Raj Jindal	3,500	70.00
Pradip Gaad	1,400	28.00
International Trustees Limited	100	2.00
<b>Total</b>	<b>5,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (in US Dollars) is given below:

<b>Particulars</b>	<b>31.12.03</b>	<b>31.12.02</b>	<b>31.12.01</b>
Equity Share Capital	5000	5000	5000
Reserve and surplus (excluding revaluation reserve)	11439760	10878633	7296767
Income	572657	3784318	3015505
PAT	561127	3631866	2670935
Dividend	--	--	--
EPS	112	726	534
BV	2289	2177	1450

**(17) Vavasa Investments Limited**

Vavasa Investments Limited was incorporated on June 18, 1997. It carries on activities of investments and dealing in shares and securities. Board of directors comprises Mr. Prithvi Raj Jindal, Mr. Pradip Gaad, Mr. Andry Tryphonos and Mr. Tasoula Georgiou.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of Shareholder</b>	<b>No. of Ordinary Shares</b>	<b>% of shareholding</b>
Prithvi Raj Jindal	650	65.00
Pradip Gaad	340	34.00
Other – Nominee	10	1.00
<b>Total</b>	<b>1,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (in US Dollars) is given below:

<b>Particulars</b>	<b>31.12.03</b>	<b>31.12.02</b>	<b>31.12.01</b>
Equity Share Capital	1942	1942	1942
Reserve and surplus (excluding revaluation reserve)	(424514)	(533740)	(384863)
Income	116024	63350	153638
PAT/(Loss)	109264	(148877)	45256
Dividend	--	--	--
EPS	109	-	45
BV	--	--	--

**(18) Jargo Investments Limited**

Jargo Investments Limited was incorporated on July 29, 1996. It carries on activities of investments and dealing in shares and securities. Board of directors comprises Mr. Prithvi Raj Jindal, Mr. Tasoula Georgiou, Mr. Andry Tryphonos and Mr. Pradip Gaad.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of Shareholder</b>	<b>No. of Ordinary Shares</b>	<b>% of shareholding</b>
Prithvi Raj Jindal	999	99.90
Other – Nominee	1	0.10
<b>Total</b>	<b>1,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (in US Dollars) is given below:

<b>Particulars</b>	<b>31.12.03</b>	<b>31.12.02</b>	<b>31.12.01</b>
Equity Share Capital	1942	1942	1942
Reserve and surplus (excluding revaluation reserve)	(3136527)	(3266074)	(3063112)
Income	137015	63406	39504

PAT/(Loss)	129548	(202962)	(497541)
Dividend	--	--	--
EPS	130	--	--
BV	--	--	--

**(19) Sarmento Holdings Limited**

Sarmento Holdings Limited was incorporated on June 18, 1997. It carries on activities of investments and dealing in shares and securities. Board of directors comprises Mr. Prithvi Raj Jindal, Mr. Pradip Gaad, Mr. Andry Tryphonos and Mr. Tasoula Georgiou.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of Shareholder	No. of Ordinary Shares	% of shareholding
Prithvi Raj Jindal	550	55.00
Pradip Gaad	445	44.50
Other – Nominee	5	0.50
<b>Total</b>	<b>1,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (in US Dollars) is given below:

Particulars	31.12.03	31.12.02	31.12.01
Equity Share Capital	1942	1942	1942
Reserve and surplus (excluding revaluation reserve)	(424786)	(551289)	(435239)
Income	133418	61227	172323
PAT/(Loss)	126504	(116050)	(10648)
Dividend	--	--	--
EPS	126	--	--
BV	--	--	--

**(20) Beaufield Holdings Limited**

Beaufield Holdings Limited was incorporated on June 30, 1997. It carries activities of investments and dealing in shares and securities. The company's board of directors comprises Mr. Prithvi Raj Jindal, Mr. Dev Joory, Mr. Couldip Basanta Lala and Mr. Pradip Gaad.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of Shareholder	No. of Ordinary Shares	% of shareholding
Prithvi Raj Jindal	3,000	60.00
Pradip Gaad	1,900	38.00
International Trustees Limited	100	2.00
<b>Total</b>	<b>5,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (in US Dollars) is given below:



Particulars	31.12.03	31.12.02	31.12.01
Equity Share Capital	5000	5000	5000
Reserve and surplus (excluding revaluation reserve)	11464486	10791447	7169378
Income	685951	3786975	2997354
PAT	673039	3622069	2615193
Dividend	--	--	--
EPS	135	724	523
BV	2294	2159	1435

**(21) Pentel Holding Limited**

Pentel Holding Limited was incorporated on June 30, 1997. It carries activities of investments and dealing in shares and securities. Board of directors comprises Mr. Prithvi Raj Jindal, Mr. Dev Joory, Mr. Couldip Basanta Lala and Mr. Pradip Gaad.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of Shareholder	No. of Ordinary Shares	% of shareholding
Prithvi Raj Jindal	4,500	75.00
Pradip Gaad	1,400	23.00
International Trustees Limited	100	2.00
<b>Total</b>	<b>6,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (in US Dollars) is given below:

Particulars	31.12.03	31.12.02	31.12.01
Equity Share Capital	6000	6000	6000
Reserve and surplus (excluding revaluation reserve)	11309499	10751260	7160578
Income	569872	3783357	3014513
PAT	558239	3590681	2569236
Dividend	--	--	--
EPS	93	598	428
BV	1886	1793	1194

**(22) Mendeza Holdings Limited**

Mendeza Holdings Limited was incorporated on June 18, 1997. It carries on activities of investments and dealing in shares and securities. Board of directors comprises Mr. Prithvi Raj Jindal, Mr. Tasoula Georgiou, Mr. Pradip Gaad and Mr. Andry Tryphonos.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of Shareholder	No. of Ordinary Shares	% of shareholding
Prithvi Raj Jindal	660	66.00
Pradip Gaad	330	33.00
Other – Nominee	10	1.00
<b>Total</b>	<b>1,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (in US Dollars) is given below:

<b>Particulars</b>	<b>31.12.03</b>	<b>31.12.02</b>	<b>31.12.01</b>
Equity Share Capital	1942	1942	1942
Reserve and surplus (excluding revaluation reserve)	(537985)	(670762)	(543834)
Income	144577	63359	184478
PAT/(Loss)	132778	(126928)	(13371)
Dividend	--	--	--
EPS	133	--	--
BV	--	--	--

**(23) Estrela Investment Company Limited**

Estrela Investment Company Limited was incorporated on June 30, 1997. It carries activities of investments and dealing in shares and securities. The company's board of directors comprises Mr. Prithvi Raj Jindal, Mr. Dev Joory, Mr. Couldip Basanta Lala and Mr. Pradip Gaad.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of Shareholder</b>	<b>No. of Ordinary Shares</b>	<b>% of shareholding</b>
Prithvi Raj Jindal	4,000	67.00
Pradip Gaad	1,880	31.00
International Trustees Limited	120	2.00
<b>Total</b>	<b>6,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (in US Dollars) is given below:

<b>Particulars</b>	<b>31.12.03</b>	<b>31.12.02</b>	<b>31.12.01</b>
Equity Share Capital	6000	6000	6000
Reserve and surplus (excluding revaluation reserve)	11381086	10794110	7163300
Income	600079	3795749	3002215
PAT	586976	3630810	2547719
Dividend	--	--	--
EPS	97	605	425
BV	1898	1800	1195

**(24) Nacho Investments Limited**

Nacho Investments Limited was incorporated on April 18, 1997. It carries on activities of investments and dealing in shares and securities. Board of directors comprises Mr. Prithvi Raj Jindal, Mr. Tasoula Georgiou, Mr. Pradip Gaad and Mr. Andry Tryphonos.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of Shareholder	No. of Ordinary Shares	% of shareholding
Prithvi Raj Jindal	550	55.00
Pradip Gaad	440	44.00
Other - Nominee	10	1.00
<b>Total</b>	<b>1,000</b>	<b>100.00</b>

### Financial Performance

The financial performance of the company (in US Dollars) is given below:

Particulars	31.12.03	31.12.02	31.12.01
Equity Share Capital	1942	1942	1942
Reserve and surplus (excluding revaluation reserve)	(446781)	(577071)	(472926)
Income	136498	63395	163626
PAT	130292	(104145)	(17783)
Dividend	--	--	--
EPS	130	--	--
BV	--	--	--

### **(B) Promoter Group Companies**

#### **(1) Jindal Steel & Power Limited (JSPL)**

The company was incorporated on September 28, 1979 as Orbit Strips Pvt. Ltd., which was converted into a public limited company 'Orbit Strips Ltd.' on May 27, 1998. Subsequently, the name of the company was changed to Jindal Steel & Power Ltd. on June 12, 1998. Pursuant to a Scheme of Arrangement between Jindal Strips Limited and the company as sanctioned by the Honorable High Court of Punjab & Haryana under Section 391 to 394 of the Act, Raigarh and Raipur divisions of Jindal Strips Ltd. were transferred to and vested in the company from April 2, 1998.

The company has a unit in Raigarh, which is engaged in production of Sponge Iron, Ferro Chrome and Steel Products like slabs, blooms, parallel flanges and billets. It is also engaged in generation of power. The company's unit at Raipur is engaged in machining. The company has captive iron ore and coal mines at Tensa in Orissa and Mand area in Raigarh in Chattisgarh respectively.

The board of directors of the company comprises Mr. Ratan Jindal, Mr. Naveen Jindal, Mr. Vikrant Gujral, Mr. Subir Bisht, Mr. Rajendra Singh, Mr. Amir Z. Singh Pasrich, Mr. Harsh Vardhan Lodha, Mr. Anand Goel, Mr. Sushil K. Maroo and Mr. M. L. Gupta.

### **Shareholding Pattern**

The shareholding pattern as on 31.03.2005 is as follows:

Sr. No.	Category	No. of Shares	% of Shareholding
A	<b>Promoter's Holding</b>		
1	<b>Promoters</b>		
	- Indian Promoters		
	i) Corporate Bodies + Resident Indian	16256093	52.79

	ii) OCBs+Non Resident Indian	2420800	7.86
	- Foreign Promoters	NIL	
2	Person acting in concern	NIL	
	<b>Sub-Total</b>	<b>18676893</b>	<b>60.65</b>
<b>B</b>	<b>Non-Promoters Holding</b>		
<b>3</b>	<b>Institutional Investors</b>		
a	Mutual Funds and UTI	1664578	5.41
b	Banks, Financial Institutions, Insurance Companies (Central / State Govt Institutions/ Non-Government Institutions)	132548	0.43
c	FIIIs	3795642	12.33
	<b>Sub-Total</b>	<b>5592768</b>	<b>18.16</b>
<b>4</b>	<b>Others</b>		
a	Private Corporate Bodies	1420514	4.61
b	Indian Public	4546914	14.77
c	NRIs/OCBs	510135	1.66
d	Any other	45044	0.15
	<b>Sub-Total</b>	<b>6522607</b>	<b>21.18</b>
	<b>GRAND TOTAL</b>	<b>30792268</b>	<b>100.00</b>

### Financial performance

The financial performance of the company (Rs. in crores) is given below:

Particulars	2003-04	2002-03	2001-02
Equity Share capital	15.40	14.63	12.90
Reserves and surplus (excluding revaluation reserves)	839.80	558.18	452.33
Sales (including Excise duty)	1561.49	1,109.79	654.22
PAT	305.46	145.08	107.55
Dividend (%)	200%	125%	70%
EPS (Rs.)	100.22	52.00	38.00
BV (Rs.)	277	195.00	180.00

### Stock Market Data

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
October 04	796.95	623.00	795.00	663.00
November 04	834.35	692.50	833.00	628.35
December 04	964.90	821.00	964.00	824.00
January 05	1030.00	851.00	1026.00	860.05
February, 05	1104.00	920.00	1103.00	915.00
March, 05	1262.00	1000.00	1259.00	1000.00

The market price of shares of the company (as on March 31, 2005) on BSE was Rs. 1044.40 and the market capitalization was Rs. 3215 crores.

The investor grievances received by the company are handled through secretarial office of the company and through the Registrar & Transfer Agent engaged by the company. The average time taken by the company for redressal of complaints is up to 21 days, depending on the type of complaint. Particulars of investor complaints during the period January to March 2005 are as follows: Opening balance: 1, Complaints Received: 50, Resolved/Replied: 50 and pending: 1

## (2) Jindal Stainless Limited

The company was promoted by Mr. Ratan Jindal. The company was originally incorporated on September 29, 1980 as Jindal Ceramics Limited. The name of the company was changed to Jindal Int.com Limited on January 25, 2001 and further to Jindal Stainless Limited on January 27, 2003. Under the scheme of Arrangement and Demerger among Jindal Strips Limited and Jindal Stainless Limited, the stainless steel undertaking from Jindal Strips Ltd with all the property, asset, rights, powers and liabilities in respect to stainless steel undertaking stood transferred to and vested in Jindal Stainless Limited w.e.f. April 1, 2002 (the appointed date), vide Punjab & Haryana High Court order dated May 31, 2003.

The company has integrated melting Hot Rolling and Cold Rolling facilities and manufactures and sells a broad range of stainless steel flat products including slabs, blooms, flat bars, hot rolled and cold rolled coils, plates and sheets.

The board of directors of the company comprises Smt. Savitri Devi Jindal (Chairperson) Mr. Ratan Jindal, Mr. Naveen Jindal, Mr. Rajinder Parkash, Mr. N. C. Mathur, Dr. L.K. Singhal, Mr. R.G. Garg and Mr. Suman Jyoti Khaitan.

### Shareholding Pattern

The shareholding pattern as on March 31, 2005 is as follows:

Sr. No.	Category	No. of shares held	% of shareholding
<b>A.</b>	<b>Promoter's holding</b>		
1	<b><u>Promoters:</u></b>		
	Indian Promoters:		
i	Colorado Trading Co. Ltd.	2,078,845	1.89
ii	Gagan Trading Co. Ltd.	2,454,295	2.23
iii	Sun Investments Ltd	9,296,780	8.46
iv	Everplus Securities & Finance Ltd	1,157,835	1.05
v	Mansarover Investments Ltd.	3,797,210	3.45
vi	Nalwa Investments Ltd.	1,707,110	1.55
vii	Stainless Investments Ltd.	1,443,945	1.31
viii	Manjula Finances Ltd	1,012,080	0.92
ix	Vrindavan Services P.Ltd	4,946,705	4.50
x	Hexa Securities & Finance Co. Ltd	2,315,800	2.11
xi	Jindal Equipment Leas & Con. Ser. Ltd	5,735,555	5.22
xii	Saw Pipes Ltd./Jindal Saw Ltd.	2,615,375	2.38
xiii	OCBs	8,999,710	8.19
xiv	Others	5,410,290	4.92

	-Foreign Promoters			
2	Persons acting in concert		5,810	0.01
	<b>Sub-total (A)</b>		<b>52,977,345</b>	48.20
<b>B.</b>	<b>Non-Promoters Holding</b>			
3	Institutional Investors			
a.	Mutual Funds and UTI		269,070	0.24
b.	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions / Non- Government Institutions)			
	i.	American Express Bank Ltd	9,997,524	9.10
	ii	Life Insurance Corporation of India	1,204,423	1.10
	iii	Others	1,697,656	1.54
c.	FIIs.			
	i.	FID Fund Mauritius Ltd.	3,220,498	2.93
	ii	Others (FIIs)	520,437	0.47
	Sub-total (3)		16,909,608	15.38
4	<b>Others:</b>			
a.	Private Corporate Bodies			
	i.	Indiabulls Financial Services Ltd	2,727,500	2.48
	ii	Others (Companies)	7,883,272	7.17
b.	Indian Public			
c.	NRIs/ NRI Companies/OCBs			
	i.	Latin American Investment Bank Bahamas Ltd.	4,998,760	4.55
	ii	Others	2,223,115	2.02
d.	Any other (pending allotment)			
	Sub-total (4)		40,022,891	36.41
	<b>Sub-total (B)</b>		<b>56,932,499</b>	51.80
	<b>Grand-total (A+B)</b>		<b>109,909,844</b>	<b>100.00</b>

### Financial performance

The financial performance of the company (Rs. in crores) is given below:

Particulars	2003-04	2002-03	2001-02
Equity Share capital	19.98	13.83	0.0007
Reserves and surplus (excluding revaluation reserves)	530.24	391.80	-
Sales (including Excise duty)	2605.58	1989.93	-
PAT	164.19	90.15	(0.0001)
Dividend (%)	100%	60%	-
EPS (Rs.)	17.08	9.30	-
BV (Rs.)	55.57	58.13	-

### Stock Market Data

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
October 04	94.50	76.00	93.30	77.20

November 04	89.40	78.10	88.40	78.05
December 04	96.75	81.00	96.70	80.70
January 05	91.95	80.00	91.95	80.15
February 05	106.90	87.75	106.55	87.50
March 05	111.00	90.20	110.90	91.00

The market price of shares of the company (as on March 31, 2005) on BSE was Rs.98.25 and the market capitalization was Rs. 1079.86 crores.

The company has engaged the services of a Registrar & Transfer Agent to handle the grievances of the investors. The average time taken by the company for redressal of complaints varies from 7 to 25 days, depending on the type of complaint. Particulars of investor complaints during the period April 2004 to March 2005 are as follows: Complaints Received: 490, Resolved/Replied: 478 and Pending: 12.

### (3) Manjula Finances Limited

The Company was incorporated as Private Limited on February 1, 1995 and became Public Company with effect from March 31, 1997. Manjula Finances Ltd. is NBFC (not accepting public deposit). The Company is engaged in the business of finance, Investment and finance related consultancy services. Board of Directors includes Mr. Sunil Mittal, Mr. P. D. Sharma and Mr. Ashok Goel.

### Shareholding Pattern

The shareholding pattern is as follows:

Name of the Shareholder	No. of Shares	% of shareholding
Naveen Jindal H.U.F	10,000	0.04
O.P. Jindal & Sons H.U.F	10,000	0.04
P.R. Jindal H.U.F	10,000	0.04
Master Parth Jindal	10,000	0.04
R.K. Jindal & Sons H.U.F	10,000	0.04
Manju Bansal	10	0.00
Tanu Bansal	10	0.00
Stainless Investments Limited	2,570,000	11.33
Mansarover Investments Limited	500,000	2.21
Goswami Credits & Investment Limited	1,660,000	7.32
Ever Plus Securities & Finance Limited	600,000	2.65
Renuka Financial Services Limited	1,170,000	5.16
Abhinandan Investments Ltd.	3,015,000	13.30
Brahmputra Cap & Fin Ltd.	2,010,000	8.86
Gagan Trading Co Ltd.	590,000	2.60
Jindal Holdings Ltd.	1,400,000	6.17
Vrindavan Services Pvt. Ltd.	2,520,000	11.11
Aras Overseas P. Ltd.	1,318,000	5.81
Wachovia Investment P. Ltd.	1,318,000	5.81
Baltimore Trading P. Ltd.	1,318,000	5.81
Musuko Trading P. Ltd.	1,318,000	5.81
Kamshet Investment P. Ltd.	1,318,000	5.81
<b>Total</b>	<b>22,675,020</b>	<b>100.00</b>

### Financial performance

The financial performance of the company is given below

Particulars	FY03-04	FY02-03	FY01-02
Share capital			
2,26,75,020 Equity Shares of Rs. 10/-each	226,750,200	226,750,200	226,750,200
Reserves and surplus (excluding revaluation reserves)	NIL	NIL	NIL
Sales/Revenue	40,020,802.4	26,970,509.2	6,220,858.6
PAT	8,726,355.34	(12,445,827.55)	(17,871,533.19)
Dividend (%)	NIL	NIL	NIL
EPS (Rs.)	0.40	(0.55)	(0.78)
BV (Rs.)	2.56	2.17	2.71

#### (4) **Renuka Financial Services Limited**

The Company was incorporated as Private Limited on February 1, 1995 and became Public Limited with effect from March 31, 1997. The Company is NBFC (not accepting public deposit) and engaged in the business of finance, Investment and finance related consultancy services. The Board of Directors comprising of Mr. P. D. Sharma, Mr. Vivek Goel and Mr. Parmod Garg.

#### **Shareholding Pattern**

The shareholding pattern is as follows:

Name of the Shareholder	No. of Shares	% of shareholding
P.R. Jindal	10,000	0.05
O.P. Jindal	10,000	0.05
Naveen Jindal H.U.F	10,000	0.05
Master Parth Jindal	10,000	0.05
Deepika Jindal	10,000	0.05
Anita Gautam	10	0.00
Renu Vashisth	10	0.00
Stainless Investments Ltd	4,000,000	18.53
Mansarover Investments Ltd	1,300,000	6.02
Goswami Credits & Investment Ltd	1,670,000	7.74
Ever Plus Securities & Finance Ltd	1,770,000	8.20
Manjula Finances Ltd	1,660,000	7.69
Brahmputra Cap & Fin Ltd.	1,500,000	6.95
Nalwa Investments Ltd.	1,500,000	6.95
Gagan Trading Co Ltd	590,000	2.73
Jindal Holding Ltd.	2,500,000	11.58
Vrindavan Services Pvt. Ltd.	2,620,000	12.14
Aras Overseas P. Ltd.	486,000	2.25
Wachovia Investment P. Ltd.	486,000	2.25
Kamshet Investment P. Ltd.	486,000	2.25
Musuko Trading P. Ltd.	486,000	2.25
Baltimore Trading P. Ltd.	486,000	2.25
<b>Total</b>	<b>21,590,020</b>	<b>100 .00</b>



**Financial performance**

The financial performance of the company is given below

<b>Particulars</b>	<b>FY03-04</b>	<b>FY02-03</b>	<b>FY01-02</b>
Share capital (Issued, subscribed & Paid-up) 21,590,020 Equity Shares of Rs. 10/-each	215,900,200	215,900,200	215,900,200
1,00,000 Preference Shares of Rs. 100/-each	10,000,000	10,000,000	NIL
Reserves and surplus (excluding revaluation reserves)	NIL	NIL	NIL
Sales/Revenue	161907596	98977652	18754323
PAT	102,950,588.12	605,625.67	(23,924,754.55)
Dividend (%)	NIL	NIL	NIL
EPS (Rs.)	5.13	0.02	(1.10)
BV (Rs.)	7.17	2.4	2.36

**(5) Ever Plus Securities & Finance Limited**

The Company was incorporated on November 24, 1994 as Private Limited and later on became public Company with effect from March 31, 1997. The Company is NBFC (not accepting public deposit) and engaged in the business of finance, Investment and finance related consultancy services. The Board of Directors comprising of Mr. Sanjay Agarwal, Mr. Vivek Goel and Mr. Deepak Goel.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of the Shareholder</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Deepika Jindal	10,000	0.05
P.R. Jindal H.U.F	10,000	0.05
Naveen Jindal H.U.F	10,000	0.05
Savitri Devi Jindal	10,000	0.05
Sangeeta Jindal	10,000	0.05
Yogendra Kumar Garg	10	0.00
Nirmal Singhal	10	0.00
Stainless Investments Ltd	3,000,000	14.27
Mansarover Investments Ltd	500,000	2.38
Goswami Credits & Investment Ltd	1,170,000	5.56
Renuka Financial Services Ltd	1,660,000	7.90
Manjula Finances Ltd	1,670,000	7.94
Jindal Holdings Ltd	1,750,000	8.32
Nalwa Investments Ltd	3,015,000	14.34
Bhramputra Cap & Finance Ltd	710,000	3.38
Abhinandan Investments Ltd	3,000,000	14.27
Vrindavan Services Pvt. Ltd.	4,500,000	21.40
<b>Total</b>	<b>21,025,020</b>	<b>100.00</b>

**Financial performance**

The financial performance of the company is given below

Particulars	FY03-04	FY02-03	FY01-02
Share capital	210,250,200	210,250,200	210,250,200
Reserves and surplus (excluding revaluation reserves)	NIL	NIL	NIL
Sales/Revenue	148,606,439	36,323,270	12,643,026
PAT	108,577,187.65	(80,629.82)	(42,377,966)
Dividend (%)	NIL	NIL	NIL
EPS (Rs.)	5.16	(0.00)	(2.01)
BV (Rs.)	3.6	(1.56)	(1.56)

#### (6) Nalwa Engineering Company Limited

The Company was incorporated on December 3, 1957 as Sree Iron Foundry & Engg. Works (P) Ltd and later on the name was changed to Nalwa Engg. Co. Ltd. on October 25, 1983. The company is engaged in the Business of Cast Iron Foundry and changed the activities in heavy & Light Engg. jobs under S.S.I. since December 21, 1984. The Board of Directors comprising of Mr. L. R. Jain, Mr. M. P. Swami and Mr. R. R. Gupta.

#### Shareholding Pattern

The shareholding pattern is as follows:

	Category	No. of Shares	% of shareholding
A.	<b>Promoters Holding</b>		
1.	Directors :	100	0.04%
2.	<b>Persons acting in concert</b>	-	-
	<b>Sub - Total</b>	<b>100</b>	<b>0.04%</b>
B.	<b>NON PROMOTER'S HOLDING</b>		
3.	Institutional Investors	-	-
a.	Mutual Funds and UTI	-	-
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non- Govt. Institution.	-	-
c.	Foreign Institutional Investors	-	-
	<b>Sub - Total</b>	<b>-</b>	<b>-</b>
4.	<b>Others</b>		
a.	Private Corporate Bodies	193342	60.57%
b.	Indian Public	108810	34.08%
c.	NRIs/QCBs	16967	5.31%
d.	Any other (please specify)	-	-
	<b>Sub - Total</b>	<b>319119</b>	<b>99.96%</b>
	<b>GRAND TOTAL</b>	<b>319219</b>	<b>100.00%</b>

Shares of the Company got listed in September, 1984 on The Calcutta Stock Exchange Association Limited and no trading has taken place during last 6 months.

#### Financial performance

The financial performance of the company is given below

(Rs. In lacs)

Particulars	FY-03-04	FY-02-03	FY-01-02
Share capital	31.92	31.92	31.92
Reserves and surplus (excluding revaluation reserves)	4.05	4.05	4.05
Sales (Including Other Income)	53.38	33.56	28.47
PAT	37.83	(32.61)	(54.82)
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	11.85	(10.22)	(17.17)
BV (Rs.)	11.27	11.27	11.27

(7) **Goswamis Credits & Investments Limited**

The Company was incorporated as Private Limited on January 13, 1995 and became Public Limited with effect from March 31, 1997. On December 5, 2002, the Company got registered with Reserve Bank of India as Non Banking Financial Company (not accepting public deposit). The Board of Directors comprises Mr. Sunil Mittal, Mr. Vivek Goel and Mr. Deepak Goel.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of the Shareholder	No. of Shares	% of shareholding
Naveen Jindal H.U.F	10,000	0.05
Savitri Devi Jindal	5,000	0.03
Om Parkash Jindal	5,000	0.03
P.R. Jindal	10,000	0.05
Master Parth Jindal	10,000	0.05
Master Abhuday Jindal	10,000	0.05
Manju Bansal	10	0.00
Renu .S. Goswami	10	0.00
Renuka Financial Services Ltd	1,670,000	8.92
Stainless Investments Ltd	2,500,000	13.35
Mansarover Investments Ltd	500,000	2.67
Manjula Finances Ltd	1,170,000	6.25
Ever Plus Securities & Finance Ltd	810,000	4.33
Jindal Holdings Ltd	1,600,000	8.55
Vrindavan Services Pvt. Ltd.	2,420,000	12.93
Abhinandan Investments Ltd	600,000	3.20
Nalwa Investments Ltd	2,855,000	15.25
Bhramputra Cap. & Finance Ltd	1,427,200	7.62
M/s Silver smith	50,000	0.27
Gagan Trading Co. Ltd.	590,000	3.15
Baltimore Trading P. Ltd.	496,000	2.65
Kamseth Investment P. Ltd.	496,000	2.65
Musuko Trading P. Ltd.	496,000	2.65
Wachovia Investment P. Ltd.	496,000	2.65
Aras Overseas P. Ltd.	496,000	2.65
<b>Total</b>	<b>18,722,220</b>	<b>100.00</b>

**Financial performance**

The financial performance of the company is given below

<b>Particulars</b>	<b>FY03-04</b>	<b>FY02-03</b>	<b>FY01-02</b>
Share capital	187,222,200	187,222,200	187,222,200
Reserves and surplus (excluding revaluation reserves)	NIL	NIL	NIL
Sales	11,397,430	3,871,626.3	2,362,134.7
PAT	(7,103,377.05)	(14,789,904.73)	(16,005,962.57)
Dividend (%)	NIL	NIL	NIL
EPS (Rs.)	(0.38)	(0.79)	(0.85)
BV (Rs.)	0.92	1.30	2.08

**(8) Jindal Seamless Tubes Limited**

The Company was incorporated on April 12, 1979 as Nalwa Steels Ltd. The name of the Company was later changed to Jindal Seamless Tubes Ltd. w.e.f. June 5, 1992. It was incorporated for carrying on the business of continuous cast, Hot and Cold Rolling Mills. In the year 1996, the manufacturing activities were disposed off under the provisions of Section 293(1)(a) of the Companies Act, 1956 and since then there is no manufacturing activity in the Company. The Board of Directors comprises Mr. P. R. Jindal, Ms. Sminu Jindal, Mr. Sandip Sharma and Mr. D. K. Goel.

**Shareholding Pattern**

The shareholding pattern is as follows:

	<b>CATEGORY</b>	<b>No. of shares</b>	<b>% of shareholding</b>
A.	<b>PROMOTERS HOLDING</b>		
1.	<b>Promoters:</b>		
	- Indian Promoters	14,600	6.95
	- Foreign Promoters	--	--
2.	<b>Persons acting in concert</b>	96,750	46.07
	<b>Sub - Total</b>	<b>1,11,350</b>	<b>53.02</b>
B.	<b>NON PROMOTER'S HOLDING</b>		
3.	<b>Institutional Investors</b>		
a.	Mutual Funds and UTI	--	--
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institution.	--	--
c.	Foreign Institutional Investors	--	--
	<b>Sub - Total</b>	<b>--</b>	<b>--</b>
4.	<b>Others</b>		
a.	Private Corporate Bodies	94,900	45.19
b.	Indian Public	3,750	1.79
c.	NRIs / QCBs	--	--
d.	Any other (please specify)	--	--
	<b>Sub - Total</b>	<b>98,650</b>	<b>46.98</b>
	<b>GRAND TOTAL</b>	<b>2,10,000</b>	<b>100.00</b>

The Company's Equity Shares are listed on The Delhi Stock Exchange Association Ltd., New Delhi w.e.f. June 28, 1984. As the paid-up capital of the Company is only Rs. 21 lakhs, there has not been any trading in the shares for the last several years.

**Financial performance**

The financial performance of the company is given below

(Rs. In lacs)

Particulars	FY03-04	FY02-03	FY01-02
Share capital	21.85	21.85	21.85
Reserves and surplus (excluding revaluation reserves)	(297.80)	(274.24)	(258.64)
Income	13.79	5.04	162.22
PAT	(23.56)	(15.60)	(384.41)
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	(10.78)	(7.14)	(175.93)
BV (Rs.)	(136.29)	(125.51)	(118.37)

**(9) Rohit Tower Building Limited**

The Company was incorporated as Private Limited on June 16, 1971 and became Public limited with effect from July 30, 1986. The Company is engaged in the property business. The Board of directors of the company comprises of Mr. O. P. Jindal (till March 31, 2005), Smt. Savitri Devi Jindal and Mr. S. S. Saxena.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of the Shareholder	No. of Shares	% of shareholding
Savitri Jindal	30	0.12
O. P. Jindal	60	0.25
Colorado Trading Co. Ltd	2,400	9.98
Gagan Trading Co. Ltd	2,400	9.98
Nalwa Investments Ltd	2,400	9.98
Swastik Udyog Ltd./ Jindal Saw Ltd	2,400	9.98
Naveen Jindal	5,230	21.75
Abhinandan Investments Ltd	2,370	9.85
Ratan Jindal	10	0.04
Stainless Investments Ltd	3,250	13.51
P.R.Jindal	1,100	4.57
Jindal Strips Ltd	2,400	9.98
<b>Total</b>	<b>24,050</b>	<b>100.00</b>

**Financial performance**

The financial performance of the company is given below

Particulars	FY03-04	FY02-03	FY01-02
Share capital (Equity Shares of Rs. 100/- each)	2,405,000	2,405,000	2,405,000
Reserves and surplus (excluding revaluation reserves)	Nil	Nil	Nil
Sales/Revenue	1,971,130	1,922,400	1,005,760
PAT	159,360.18	130,885.15	(1,125,229.40)
Dividend (%)	NIL	NIL	NIL
EPS (Rs.)	10.36	16.08	(46.78)
BV (Rs.)	(197.9)	(204.52)	(209.96)

**(10) Hexa Securities & Finance Company Limited**

This Company was incorporated on November 23, 1994 as Hexa Securities & Finance Co. Pvt. Ltd. It was converted into Public Limited Company on December 3, 2002. The Company is NBFC and holds investment in other Companies. The Board of Directors of the Company comprises Mr. R. K. Aggarwal, Mr. Ranjit Malik and Mr. Arvind Kiran Aggarwal.

**Shareholding Pattern**

The Company is 100% subsidiary of Jindal Saw Ltd. having its registered office at A-1, UPSIDC Indl. Area, Nandgaon Road, Kosi Kalan, Distt. Mathura (U.P.) – 281 403.

**Financial performance**

The financial performance of the company is given below

Particulars	(Rs. In lacs)		
	FY03-04	FY02-03	FY01-02
Share capital	2,550.00	2,550.00	2,550.00
Reserves and surplus (excluding revaluation reserves)	(2,488.98)	(2,859.81)	(3,023.26)
Income	509.15	295.66	74.16
PAT	370.83	163.45	63.58
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	1.45	0.64	0.25
BV (Rs.)	(9.76)	(11.21)	(11.86)

**(11) Brahmputra Capital And Financial Services Limited**

The Company was incorporated on June 14, 1994. The Company was incorporated as Private Limited and became Public Limited with effect from May 4, 1995. The company is Non-Banking Financial Company (not accepted Public deposits) registered under Section 45-IA of the Reserve Bank of India Act, 1934. The Board of directors of the company comprises Mr. Rajesh Aggarwal, Mr. P. D. Sharma and Mr. Parmod Garg.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of the Shareholder	No. of Shares	% of shareholding
Ratan Jindal	100	0.00023
Jindal Strips Ltd	20,869,000	49.00
Nalwa Investments Ltd	520,800	1.22
Abhinandan Investments Ltd	500,000	1.17
Stainless Investments Ltd	500,000	1.17
Renuka Financial Services Ltd	500,000	1.17
Manjula Finances Ltd	500,000	1.17
Jindal Steel & Power Ltd	19,200,000	45.08
R.K.Bansal Nominee of Jindal Strips Ltd	100	0.00023
<b>Total</b>	<b>42,590,000</b>	<b>100.00</b>

**Financial performance**

The financial performance of the company is given below

Particulars	FY03-04	FY02-03	FY01-02
Share capital	425,900,000	425,900,000	425,900,000
Reserves and surplus (excluding revaluation reserves)	Nil	Nil	Nil
Sales	188,717,869	15,380	118,296
PAT	(279,316.43)	(156,350)	(30,399)
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	(0.0066)	(0.0037)	(0.00071)
BV (Rs.)	9.464	9.4	9.468

**(12) Gagan Sponge Iron Private Limited**

The Company was incorporated on February 24, 1989 under the Companies Act, 1956 under the name of Navin Sponge Iron Pvt. Ltd. On January 13, 2004 the name of the said company was changed to Gagan Sponge Iron Private Ltd. The Company is engaged in the business of finance, Investment and finance related consultancy services. The Board of directors of the company comprises Mr. R. K. Saraf and Mr. Raj Kumar Nahata.

**Shareholding Pattern**

The shareholding pattern is as follows:

Name of the Shareholder	No. of Shares	% of shareholding
Naveen Jindal	8,000	80.00
P.R Jindal	10	0.10
Shallu Jindal	1,990	19.90
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

**Financial performance**

The financial performance of the company is given below

Particulars	FY03-04	FY02-03	FY01-02
<u>Share capital</u>			
10,000 Equity Shares of Rs.10/-each	100,000	100,000	1,00,000
1,450,000 (831,500) 7% Redeemable Cumulative Preference Shares of Rs. 100/- each	145,000,000	83,150,000	Nil
Reserves and surplus (excluding revaluation reserves)	19,103,721.70	Nil	Nil
Sales/Revenue	21,115,259	36,164	Nil
PAT	20,201,667.79	(1,097,946.09)	Nil
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	2059.36	(109.79)	Nil
BV (Rs.)	1918	(102)	7.00

**(13) Opellina Finance & Investment Pvt. Ltd.**

The Company was incorporated on March 20, 1995 and is engaged in the business of finance, Investment and finance related consultancy services. The Board of directors of the company comprises Mr. R. K. Saraf and Mr. Anand Goel.

### **Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of the Shareholder</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Naveen Jindal	8,000	80.00
Shallu Jindal	2,000	20.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

### **Financial performance**

The financial performance of the company is given below

<b>Particulars</b>	<b>FY03-04</b>	<b>FY02-03</b>	<b>FY01-02</b>
Share capital			
10,000 Equity Shares of Rs.10/-each	100,000	100,000	1,00,000
19,26,700 (7,41,100) 0% Cumulative Redeemable Preference Shares of Rs. 100/- each	192,670,000	74,110,000	Nil
Reserves and surplus (excluding revaluation reserves)	19,217,598	Nil	Nil
Sales	21,452,475	219,646	Nil
PAT	20,651,348	(1,144,693)	(264,098)
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	2,065	(114)	(26.4)
BV (Rs.)	1892.5	(178)	(69.2)

#### **(14) Baltimore Trading Private Limited**

The Company was incorporated on December 9, 1994 as a private limited company and converted into a public limited company "Baltimore Trading Ltd." with effect from March 23, 1998. The Company was reconverted into a private limited company on July 26, 2002. It is mainly in the business of investments and trading in securities. The Company's board of directors comprises Mr. V. Surendranath and Mr. Deepak Bhat.

### **Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of the Shareholder</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Vrindavan Services Pvt. Ltd.	260,000	36.92
Gagan Trading Co. Ltd.	200,000	28.40
Jindal Holdings Ltd.	119,600	16.98
Jindal Equipment & Leasing Consultancy Services Ltd.	119,600	16.98
Wavelength Capital & Finance Pvt. Ltd.	1,100	0.16
Gati Securities Pvt. Ltd.	1,050	0.15
Starlight Equifin Pvt. Ltd.	1,000	0.14
Animation Finvest Pvt. Ltd.	950	0.13
Welworth Equifin Pvt. Ltd.	900	0.13
Naman Enterprises Pvt. Ltd.	2	0.00
<b>TOTAL</b>	<b>704,202</b>	<b>100.00</b>



**Financial Information**

The financial performance of the company (Rs. in lacs) is given below:

Particulars	FY 04	FY 03	FY 02
Equity Share Capital (shares of Rs.100 each)	704.20	704.20	704.20
Reserve and surplus Excluding revaluation reserve	(482.88)	(482.58)	(482.42)
Income	-	0.005	20.00
PAT	(0.30)	(0.17)	(0.25)
Dividend	-	-	-
EPS (Rs.)	(0.04)	(0.02)	(0.03)
BV (Rs.)	31.43	31.47	31.49

**(15) Kamshet Investments Private Limited**

It was incorporated on November 16, 1994 as a private limited company and converted into a public limited company "Kamshet Investments Ltd." with effect from March 23, 1998. The company was reconverted into a private limited company on August 9, 2002. This company is in the business of investing and trading in securities. The Board of directors comprises Mr. V.P. Garg, Mr. V. Surendranath and Mr. Apurva Jhalani.

**Shareholding Pattern**

The shareholding pattern is as follows:

Shareholder	No. of shares	% of shareholding
Vrindavan Services Pvt. Ltd.	260,000	32.23
Gagan Trading Co. Ltd.	225,000	27.89
Jindal Holdings Ltd.	173,300	21.49
Jindal Equipment & Leasing Consultancy Services Ltd.	148,300	18.39
Mr. Atul Sud	2	0.00
Mr. Vijay Maniar	1	0.00
<b>Total</b>	<b>806,603</b>	<b>100</b>

**Financial Information**

The financial performance of the company (Rs. in lacs) is given below :

Particulars	2003-04	2002-03	2001-02
Equity Share Capital (Shares of Rs. 100 each)	806.60	806.60	806.60
Reserve and surplus (excluding revaluation reserve)	(934.60)	(934.31)	(933.99)
Income	-	-	-
PAT	(0.29)	(0.33)	(385.24)
Dividend	-	-	-
EPS Rs	(0.04)	(0.04)	(47.76)
BV Rs	(15.83)	(15.87)	(15.79)

**(16) Aras Overseas Private Limited**

The company was incorporated on September 7, 1994 as a private limited company and converted into a public limited company "Aras Overseas Ltd." with effect from March 23, 1998. The company was reconverted into a private limited company on July 26, 2002. The company is in the business of investments and trading in securities. The Board of directors comprises Mr. Rajeev Pai, Mr. P. R. Kole and Mr. Dileep Bhatt.

**Shareholding Pattern**

The shareholding pattern is as follows:

Shareholder	No. of shares	% of shareholding
Vrindavan Services Pvt. Ltd.	260,000	41.07
Gagan Trading Co. Ltd.	175,000	27.65
Jindal Equipment Leasing & Consultancy Services Ltd.	107,500	16.98
Jindal Holdings Ltd.	82,500	13.03
Starlight Equifin Pvt. Ltd.	1,840	0.29
Animation Finvest Pvt. Ltd.	1,760	0.28
Wavelength Capital & Finance Pvt. Ltd.	1,600	0.25
Welworth Equifin Pvt. Ltd.	1,440	0.23
Gati Securities Pvt. Ltd.	1,360	0.21
Naman Enterprises Pvt. Ltd.	2	0.00
<b>Total</b>	<b>633,002</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (Rs. in lacs) is given below:

Particulars	FY 04	FY 03	FY 02
Equity Share Capital (Shares of Rs. 100 each)	633.00	633.00	633.00
Reserve and surplus Excluding revaluation reserve	(351.68)	(351.41)	(350.79)
Income	-	0.005	-
PAT	(0.27)	(0.63)	(0.45)
Dividend	-	-	-
EPS (Rs.)	(0.04)	(0.10)	(0.07)
BV (Rs.)	44.44	44.48	44.58

**(17) Wachovia Investments Private Limited**

This company was incorporated on November 16, 1994 as a private limited company and converted into a public limited company "Wachovia Investments Ltd." with effect from March 23, 1998. The company was reconverted into a private limited company on August 9, 2002. It is mainly in the business of investments and trading in securities. Its board of directors comprises Mr. Rajeev Pai, Mr. P. R. Kole and Mr. Deepak Bhat.

**Shareholding Pattern**

The shareholding pattern is as follows:

Shareholder	No. of shares	% of shareholding
Gagan Trading Co. Ltd.	175,000	28.18
Vrindavan Services Pvt. Ltd.	164,000	26.41
Jindal Equipment Leasing Consultancy Services Ltd.	102,505	16.51
Naman Enterprises Pvt. Ltd.	96,002	15.46
Jindal Holdings Ltd.	77,505	12.48
Starlight Equifin Pvt. Ltd.	1,380	0.22
Animation Finvest Pvt. Ltd.	1,320	0.21
Wavelength Capital & Finance Pvt. Ltd.	1,200	0.19
Welworth Equifin Pvt. Ltd.	1,080	0.17
Gati Securities Pvt. Ltd.	1,020	0.16
	<b>621,012</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>2003-04</b>	<b>2002-03</b>	<b>2001-02</b>
Equity Share Capital (Shares of Rs.100 each)	621.01	621.01	621.01
Reserve and surplus (excluding revaluation reserve)	(763.79)	(759.02)	(758.51)
Income	26.84	-	-
PAT	(4.77)	(0.51)	(126.71)
Dividend	-	-	-
EPS (Rs.)	(0.77)	(0.08)	(20.40)
BV (Rs.)	(22.99)	(22.22)	(22.14)

**(18) Argil Properties Private Limited (APPL)**

APPL was incorporated on July 6, 1994 as a private limited company. This company is in the business of real estate development. The board of directors comprises Mr. P. Krishna Gowda, Mr. P. S. M. Chari and Mr. K.S.N. Sriram.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Shareholder</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Reynold Traders Pvt. Ltd.	5,000	18.50
Rishikesh Finlease & Investments Pvt. Ltd.	5,000	18.50
Vrindavan Services Pvt. Ltd.	5,000	18.50
Gagan Trading Co. Ltd.	5,000	18.50
Meredith Traders Pvt. Ltd.	5,000	18.50
Mr. Sandip Sharma	1,000	3.70
Mr. Devender Singhal	1,000	3.70
Mr. Rajiv Khaitan	10	0.04
Mrs. Rashmi Khaitan	10	0.04
	<b>27,020</b>	<b>100.00</b>

**Financial performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>FY 04</b>	<b>FY 03</b>	<b>FY 02</b>
Equity Share Capital	2.70	2.70	2.70
Reserve and surplus (excluding revaluation reserve)	(2.63)	(2.51)	0.01
Income	-	-	-
PAT	(0.12)	(2.52)	(0.07)
Dividend	-	-	-
EPS (Rs.)	(0.46)	(9.32)	(0.26)
BV (Rs.)	0.64	0.64	9.90

**(19) Musuko Trading Private Limited (MTPL)**

MTPL was incorporated on November 14, 1994 as a private limited company and converted into a public limited company "Musuko Trading Ltd." with effect from March 23, 1998. The company was reconverted into a private limited company on August 26, 2002. The company is mainly in the business of investments and trading in securities. Company's board comprises Mr. P.R. Kole and Mr. Dileep Bhatt.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Name of the Shareholder</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Vrindavan Services Pvt. Ltd.	260,000	33.79
Gagan Trading Co. Ltd.	225,000	29.24
Jindal Holdings Ltd.	150,225	19.52
Jindal Equipment & Leasing Consultancy Services Ltd.	125,225	16.27
Wavelength Capital & Finance Pvt. Ltd.	2,160	0.28
Welworth Equifin Pvt. Ltd.	2,070	0.27
Animation Finvest Pvt. Ltd.	1,710	0.22
Starlight Equifin Pvt. Ltd.	1,620	0.21
Gati Securities Pvt. Ltd.	1,440	0.19
Naman Enterprises Pvt. Ltd.	2	0.00
<b>Total</b>	<b>769,452</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>2003-04</b>	<b>2002-03</b>	<b>2001-02</b>
Equity Share Capital (Shares of Rs.100 each)	769.45	769.45	769.45
Reserve and surplus (excluding revaluation reserve)	(505.16)	(505.06)	(513.00)
Income	0.08	9.03	-
PAT	(0.11)	7.95	(0.39)
Dividend	-	-	-
EPS (Rs.)	(0.01)	1.03	(0.05)
BV (Rs.)	34.35	34.36	33.33

**(20) Nalwa Chrome Private Limited**

This Company was incorporated on September 2, 1985. It has made strategic investment in the shares of South West Port Limited. Its board of directors comprises Mr. I Qureshi, Mr. K.S.N. Sriram and Mr. Sanjay Agarwal.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Shareholder</b>	<b>No. of shares</b>	<b>% of shareholding</b>
Sun Investments Pvt. Ltd.	4,990	49.90
Vrindavan Services Pvt. Ltd.	4,990	49.90
Mr. Sushil Buwalka	10	0.10
Mr. Shyamlal Agarwal	10	0.10
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>FY 04</b>	<b>FY 03</b>	<b>FY 02</b>
Equity Share Capital	1.00	1.00	0.003
Reserve and surplus (excluding revaluation reserve)	(0.09)	-	-

Misc. Expenditure not written off/Preoperative Expenses	(0.20)	(0.24)	(0.22)
Income	-	-	-
PAT	(0.09)	-	-
Dividend	-	-	-
EPS (Rs.)	(0.95)	-	-
BV (Rs.)	7.10	7.60	(719.13)

**(21) Maharashtra Sponge Iron Limited**

Maharashtra Sponge Iron Limited was incorporated on September 2, 1985 as a public limited company. The company has not yet commenced commercial activity. The company's board of directors comprises Mr. P. R. Jindal, Mr. R. D. Bhalerao, Mr. R. Jayaraman, Mr. V. Surendranath and Mr. Anilkumar Agarwal.

**Shareholding Pattern**

The shareholding pattern is as follows:

Shareholder	No. of shares	% of shareholding
Mr. O.P. Jindal	10	0.02
Mr. Sajjan Jindal	10	0.02
Mr. Sushil Bhuwalka	10	0.02
Mr. Shyamlal Agarwal	10	0.02
Mrs. Sangita Jindal	10	0.02
Mrs. Urmila Bhuwalka	10	0.02
Mrs. Asha Agarwal	10	0.02
Sun Investments Pvt. Ltd	24,970	49.94
Gagan Trading Co. Ltd	24,960	49.92
<b>Total</b>	<b>50,000</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (Rs. in lacs) is given below:

Particulars	FY 04	FY 03	FY 02
Equity Share Capital (Shares of Rs. 10 each)	5.00	5.00	0.007
Reserve & surplus Excluding revaluation reserve	-	-	-
Misc. expenditure not written off /Preoperative expenses	(0.43)	(0.40)	(0.38)
Income	NA	NA	NA
PAT	NA	NA	NA
Dividend	NA	NA	NA
EPS (Rs.)	NA	NA	NA
BV (Rs.)	9.13	9.19	(530.53)

**(22) Kavita Securities Private Limited**

The company was incorporated on February 28, 1995. This company is mainly in the business of investments and trading in securities. The board of directors of the company comprises Mr. P.R. Kole and Mr. Dileep Bhatt.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Shareholder</b>	<b>No. of shares</b>	<b>% of shareholding</b>
Naman Enterprises Pvt. Ltd.	2	0.10
Gati Securities Pvt. Ltd.	440	21.98
Starlight Equifin Pvt. Ltd.	320	15.98
Wavelength Capital & Finance Pvt. Ltd.	360	17.98
Animation Finvest Pvt.Ltd.	420	20.98
Welworth Equifin Pvt. Ltd.	460	22.98
<b>Total</b>	<b>2002</b>	<b>100.00</b>

### Financial Performance

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>2003-04</b>	<b>2002-03</b>	<b>2001-02</b>
Equity Share Capital (Shares of Rs. 100 each)	2.00	2.00	2.00
Reserve and surplus Excluding revaluation reserve	(109.07)	(108.93)	(108.76)
Income	-	-	-
PAT	(0.14)	(0.16)	(8.12)
Dividend	-	-	-
EPS (Rs.)	(7.01)	(7.84)	(405.64)
BV (Rs.)	(5348)	(5342)	(5335)

### (23) Laptev Finance Private Limited

Laptev Finance Private Limited was incorporated on February 6, 1995. It is mainly in the business of Investments and Trading in securities. The board of directors comprises Mr. V. Surendranath, Mr. P.R. Kole and Mr. Apurva Jhalani.

### Shareholding Pattern

The shareholding pattern is as follows:

<b>Shareholder</b>	<b>No. of shares</b>	<b>% of shareholding</b>
Gauri Investments Pvt. Ltd.	1	50.00
Silky Investments Pvt. Ltd.	1	50.00
<b>Total</b>	<b>2</b>	<b>100.00</b>

### Financial Performance

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>2003-04</b>	<b>2002-03</b>	<b>2001-02</b>
Equity Share Capital (Shares of Rs. 100 each)	0.002	0.002	0.002
Reserve and surplus Excluding revaluation reserve	(109.36)	(109.22)	(109.03)
Income	-	-	-
PAT	(0.14)	(0.19)	(8.12)
Dividend	-	-	-
EPS (Rs.)	(7157.50)	(9770.00)	(405937.50)
BV (Rs.)	(5468146)	(5461814)	(5452869)

### (24) Sapphire Technologies Limited

This Company was incorporated on October 5, 2000 as a public limited company to carry on the business of software development, to act as consultants and advisors on information system etc. The Company has developed a portal “Steelemart.com” through which it conducts auctions for facilitating sale of steel products. Its board of directors comprises Mr. N. K. Jain, Mr. Raman Madhok, Dr. V. K. Nowal and Mr. K. N. Patel.

### Shareholding Pattern

The shareholding pattern is as follows:

Shareholder	No. of shares	% of shareholding
Reynold Traders Pvt. Ltd.	1,25,000	49.86
Gagan Trading Company Ltd.	1,25,000	49.86
Vrindavan Services Pvt. Ltd.	200	0.08
Mr. Jayant Acharya	100	0.04
Mr. Shireesh Wagh	100	0.04
Mr. Kantilal Narandas Patel	100	0.04
Mr. Raman Madhok	100	0.04
Mr. Nirmal Kumar Jain	100	0.04
<b>Total</b>	<b>2,50,700</b>	<b>100.00</b>

### Financial Performance

The financial performance of the company (Rs. in lacs) is given below:

Particulars	FY 04	FY 03	FY 02
Equity Share Capital	25.07	25.07	25.07
Reserve and surplus (excluding revaluation reserve)	(12.60)	(21.61)	(8.70)
Income	121.29	14.81	20.31
PAT	4.83	(12.90)	(8.70)
Dividend	-	-	-
EPS (Rs.)	1.93	(5.15)	(3.47)
BV (Rs.)	4.44	(0.30)	(2.95)

### (25) Rishikesh Finlease & Investments Private Limited

Rishikesh Finlease & Investments Private Limited was incorporated on August 12, 1994. It is mainly in the business of investments and trading in securities. Its board of directors comprises Mr. P.R. Kole and Mr. Sriram K.S.N.

### Shareholding Pattern

The shareholding pattern is as follows:

Shareholder	No. of shares	% of shareholding
Welworth Equifin Pvt. Ltd.	1,150	22.99
Animation Finvest Pvt. Ltd.	900	17.99
Wavelength Capital & Finance Pvt. Ltd.	1,100	21.99
Starlight Equifin Pvt. Ltd.	1,050	20.99
Gati Securities Pvt. Ltd.	800	15.99
Manish Shah	1	0.02
P.S. Purohit	1	0.02
<b>Total</b>	<b>5,002</b>	<b>100.00</b>

**Financial Performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>FY 04</b>	<b>FY 03</b>	<b>FY 02</b>
Equity Share Capital (Shares of Rs.100 each)	5.00	5.00	5.00
Reserve and surplus (excluding revaluation reserve)	(51.77)	(51.74)	(47.37)
Income	0.18	1.50	-
PAT	(0.03)	(4.37)	(0.56)
Dividend	-	-	-
EPS (Rs.)	(0.57)	(87.32)	(11.22)
BV (Rs.)	(934.95)	(934.45)	(847.18)

**(26) Naman Enterprises Private Limited**

Incorporated on April 19, 1994 as a private limited company, the company is in the business of property development. The company's board of directors comprises Mr. Deepak Bhat, Mr. V Surendranath and Mr. Apurva Jhalani.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Shareholder</b>	<b>No. of shares</b>	<b>% of shareholding</b>
Reynold Traders Pvt. Ltd.	25,000	50.00
Rishikesh Finlease & Investments Pvt. Ltd.	25,000	50.00
<b>Total</b>	<b>50,000</b>	<b>100.00</b>

**Financial performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>FY 04</b>	<b>FY 03</b>	<b>FY 02</b>
Equity Share Capital	5.00	5.00	5.00
Reserve and surplus (excluding revaluation reserve)	(873.01)	(873.96)	(11.79)
Income	1.27	2700.00	-
PAT	0.95	(862.17)	(0.19)
Dividend	-	-	-
EPS (Rs.)	1.91	(1724.35)	(0.38)
BV (Rs.)	(1736.02)	(1737.95)	(13.63)

**(27) Jindal Technologies & Management Services Private Limited (JTMSPL)**

JTMSPL was incorporated on December 3, 2003 to carry on the business of Management & Engineering Consultancy Services. Its shares are held by Vrindavan Services Private Limited and Sun Investment Private Limited equally, the number of shares being 5,000 each. Board of directors comprises Dr. V.K. Nowal, Mr. K.N. Patel, Mr. Rajeev Pai and Mr. Bavneesh Gulati.

The company intends to prepare its first accounts for the period ending 31<sup>st</sup> March 2005 for period exceeding 15 months for which necessary permission has been obtained from Registrar of Companies.

**(28) Jindal Coated Steel Private Limited**



The company was incorporated as a private limited company “JBS Steel Products Pvt. Ltd.” on December 12, 1996 and was converted into a public limited company “JBS Steel Products Ltd.” on August 6, 1998. The name of the company was changed to “Jindal Coated Steel Ltd.” with effect from February 23, 2001 and the company was reconverted into a private limited company with effect from July 26, 2002. The company had commenced a project for setting up an organic coated steel plant. However the project was shelved due to uncertain outlook in the steel market. Presently the company is in the process of diversifying into other business activities. The company’s Board of Directors comprises Mr. N. K. Jain, Mr. Raman Madhok and Dr. V. K. Nowal.

### Shareholding Pattern

The shareholding pattern is as follows:

Shareholder	No. of shares	% of shareholding
Jindal South West Holdings Limited	11,000,000	50.00
Sun Investments Pvt. Ltd.	11,000,000	50.00
<b>Total</b>	<b>22,000,000</b>	<b>100.00</b>

### Financial performance

The financial performance of the company (Rs. in lacs) is given below:

Particulars	FY 04	FY 03	FY 02
Equity Share Capital	2200.00	2200.00	2200.00
Reserve & surplus (excluding revaluation reserve)	(1053.92)	(1051.83)	(1039.99)
Income	0.53	8.81	16.92
PAT	(2.09)	(11.85)	(29.49)
Dividend	-	-	-
EPS (Rs.)	(0.009)	(0.05)	(0.13)
BV (Rs.)	5.21	5.22	5.27

### (29) Dhaman Khol Engineering & Construction Co. Private Limited

Incorporated on January 12, 1996 as a private limited company. The Company is in the business of trading in steels and also has made strategic investment in South West Port Ltd. The company’s board of directors comprises Mr. V. P. Garg, Mr. R. D. Bhalerao and Mr. Sriram K S N.

### Shareholding Pattern

The shareholding pattern is as follows:

Shareholder	No. of shares	% of shareholding
Reynold Traders Private Limited	4,900	49.00
Tranquil Homes & Holdings Pvt. Limited	4,900	49.00
V. P. Garg	100	1.00
Girish Ghate	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

### Financial performance

The financial performance of the company (Rs. in lacs) is given below:

Particulars	FY 04	FY 03	FY 02
Equity Share Capital	1.00	1.00	0.02
Reserve and surplus (excluding revaluation reserve)	0.63	(0.42)	(0.28)
Miscellaneous Expenditure not written off	0.53	0.60	(0.66)

Income	430.11	41.33	
PAT	1.05	(0.14)	(0.03)-
Dividend	-	-	-
EPS (Rs.)	10.48	(1.40)	(15.35)
BV (Rs.)	(11.01)	(0.13)	(459.90)

### (30) **Jindal Thermal Power Company Limited**

JTPCL was incorporated on March 10, 1994. It is engaged in the business of power generation. JTPCL has set up a 2X130 MW thermal power plant, in Toranagallu village, District Bellary, Karnataka. The plant has been operating since January 2000 at PLF of over 95%. JTPCL consumes about 20 MW as auxiliary consumption and supplies about 140 MW of power to JVSL and about 100 MW to KPTCL.

The Board of Directors comprises:

Mr. Sajjan Jindal	Chairman
Mr. N.K. Jain	Vice Chairman
Mr. Raaj Kumar	Joint Managing Director & CEO
Mr. K.T. Krishna Deshika	Director Finance
Mr. Raman Madhok	Director
Mr. P. Abraham	Director
Mr. Balaji Swaminathan	Nominee of ICICI
Mr. R. Jayaraman Iyer	Nominee of IDBI

### **Shareholding Pattern**

Shareholding Pattern is as follows:

Shareholder	No. of Shares	% of Shareholding
Jindal Strips Limited	100	0.00%
Jindal South West Holdings Limited	100	0.00%
Mr. Sajjan Jindal	100	0.00%
Mr. Prithvi Raj Jindal	100	0.00%
Mr. Ratan Jindal	100	0.00%
Jindal Vijayanagar Steel Limited	144,499,400	50.00%
Gagan Trading Company Limited	12,655,100	4.38%
Sun Investments Pvt. Limited	102,160,000	35.35%
Vrindavan Services Pvt. Limited	29,685,000	10.27%
<b>Total</b>	<b>289,000,000</b>	<b>100.00%</b>

### **Financial Performance**

The financial performance of the company (Rs. in crores) is given below:

Particulars	FY 04	FY 03	FY 02
Equity Share Capital	289.00	289.00	289.00
Reserve & surplus Excluding revaluation reserve	295.88	100.31	79.00
Operating Income	278.43	234.55	231.20
PAT	195.56	21.46	56.56
Dividend	-	-	-
EPS (Rs.)	6.77	0.74	1.96
BV (Rs.)	20.24	13.47	12.73

**(31) JSW Power Limited (JPL)**

JPL was incorporated on January 3, 2003 under the Companies Act, 1956. JPL is promoted by Jindal Thermal Power Company Limited and the other Companies of the Groups. JPL is setting up two power plants with the capacity of 100 MW each, namely: Unit I and II, which will be captive to Jindal Vijayanagar Steel Limited (JVSL). The scheduled time for commissioning of Unit I is April 2005 and for Unit II is October 2005. The company is also now setting up of two 30 MW power plant in SISCOL premises. Company's board of directors comprise of the following directors:

Mr. N.K. Jain	Chairman
Mr. Raaj Kumar	Vice Chairman
Mr. K.T. Krishna Deshika	Director
Mr. Upinder Singh	Whole time Director
Mr. Sanjay Sagar	Director
Mr. K. J. Varkey	Whole time Director

**Shareholding Pattern is as follows:**

Shareholders	No. of shares	% of shareholding
Gagan Trading Company Limited	5000	0.01%
Jindal South West Holdings Limited	55,000	0.07%
Vrindavan Investments Private Limited	200,000	0.26%
Sun Investments Private Limited	2,739,700	3.50%
Reynolds Traders Private Limited	100	0.00%
Naman Enterprises Private Limited	100	0.00%
Jindal Coated Steel Private Limited	100	0.00%
Jindal Thermal Power Company Limited	33,959,600	43.43%
Silver Steel Limited	4,640,400	5.93%
Hexagram Investments Private Limited	26,600,000	34.02%
Euro Ferro Alloys Private Limited	10,000,000	12.79%
<b>Total:</b>	<b>78,200,000</b>	<b>100.00%</b>

**Financial Performance**

The financial performance of the company for the first year is given below:

Particulars	FY 04
Equity Share Capital	Rs. 78.2 crores (as on 3.3.05)
Reserves and Surplus	NIL
Sales	Commercial Operation yet to begin
PAT	Commercial Operation yet to begin
Dividend	Nil
EPS (Rs.)	Commercial Operation yet to begin
BV (Rs.)	Rs. 9.86

**(32) Jindal Vijayanagar Steel Limited (JVSL)**

Jindal Vijayanagar Steel Limited (JVSL) was incorporated on March 15, 1994. It has been promoted by JISCO and its associated companies and Karnataka State Industrial Investment Development Corporation Limited (KSIIDC). Spread over 3500 acres of land, JVSL's plant located at Toranagallu, Bellary District, has a production capacity of 2.5 mtpa of HR coils with an investment of around Rs. 6,500 Cr. The plant, which uses COREX technology from Voest – Alpine, Austria is the first plant to

use oxygen-based Iron and Steel making in the country with continuous casting and hot strip mill. JVSL manufactures high quality Hot Rolled Coils, Plates and Sheets and is the only flat Steel Producer in South India. JVSL was set-up as a backward integration facility for production of hot rolled coils for JISCO.

### Financial Performance

The financial performance of the company (Rs. in crores) is given below:

Particulars	2004-05	2003-04	2002-03
Share capital	469.13	1631.08	1352.03
Reserves and surplus (excluding revaluation reserves)	2329.97	Nil	Nil
Sales (including Excise duty)	7035.90	3590.49	2786.04
PAT	870.11	528.68	(110.67)
Dividend (%)	80%	Nil	Nil
EPS (Rs.) #	64.98	3.92	(0.86)
BV (Rs.)	195.30	6.28	1.69

# Previous years' EPS has not been recomputed on the basis of share capital re-organized in the year 2004-05 as per the terms of the Scheme of Arrangement & Amalgamation.

### Shareholding pattern as follows: -

	Category	No. of Shares held	% Shareholdings
A	<b>Promoter's holding</b>		
	Promoter's *		
1	- Indian Promoter's	55154742	42.74%
	- Foreign Promoter's	5704612	4.42%
2	Persons acting in Concert	0	0.00%
	<b>Sub - Total</b>	<b>60859354</b>	<b>47.16%</b>
B	<b>Non-Promoter's Holding</b>		
3	Institutional Investors		
A	Mutual Funds and UTI	3105142	2.41%
B	Banks, Financial Institutions, Insurance Companies (Central/State Govt, Institutions /Non-Government Institutions)	28028571	21.72%
C	FII's	7901485	6.12%
	<b>Sub - Total</b>	<b>39035198</b>	<b>30.25%</b>
4	<b>Others</b>		
A	Private Corporate Bodies	4346484	3.37%
B	Indian Public	21715128	16.83%
C	NRI's/OCBs	2354540	1.82%
D	<b>Any Other(Please Specify)</b>		
	Trust	684458	0.53%
	Huf	43980	0.03%
	<b>Sub - Total</b>	<b>29144590</b>	<b>22.59%</b>
	<b>Grand Total</b>	<b>129039142</b>	<b>100.00%</b>

### Stock Market Data

Month/Year	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
March/2005	457.40	356.70	458.50	356.65
February/2005	22.25	15.80	22.20	15.80
January/2005	18.00	14.00	18.00	13.95
December/2004	18.79	12.90	18.75	12.90
November/2004	14.40	11.67	14.40	11.65
October/2004	12.99	11.10	13.00	11.35

The market price of shares of JVSL (as on April 4, 2005) on BSE was Rs. 391.30 and the market capitalization was Rs. 5,049.30 crores.

The company has its investor service center at Mumbai and has engaged the services of a Registrar & Transfer Agents to handle investor grievances. Out of 5255 complaints (related to shareholders) received during the period 01.10.2004 to 31.03.2005, 5127 complaints have been resolved and 154 complaints are pending. The average time taken by the company for redressal of complaints varies from 7 to 15 days, depending on the type of complaint.

Through a scheme of Arrangement and Amalgamation between JISCO, JSWHL and JVSL (“scheme”), the steel business of JISCO has been merged with that of JVSL from the Appointed Date 1<sup>st</sup> April, 2003. The said scheme has been sanctioned by the Hon’ble High Court of Mumbai and Karnataka and has since become effective from 4<sup>th</sup> February, 2005. After the merger, JVSL as a consolidated entity has acquired significant strength with strong financials, facilitating for organic and inorganic growth. The Board of Directors of the merged entity comprises:

Smt. Savitri Devi Jindal	Chairperson
Mr. Sajjan Jindal	Vice Chairman & Managing Director
Dr. B.N. Singh	Jt. Managing Director & CEO
Mr. Raman Madhok	Jt. Managing Director & CEO
Mr. Seshagiri Rao M.V.S	Director (Finance)
Dr. S.K. Gupta	Director
Mr.I.M. Vittala Murthy, IAS	Nominee Director-KSIIDC
Mr. N. Gokul Ram, IAS	Nominee Director-KSIIDC
Mr. R.N. Roy	Nominee Director –IDBI
Mr. Balaji Swaminathan	Nominee Director-ICICI Bank Ltd
Mr. David Chandrasekaran	Nominee Director-LIC of India
Mr. Anthony Paul Pedder	Director
Dr. Ramaswamy P. Aiyar	Director

**(33) Jindal Steel & Alloys Limited**

It is a subsidiary of Jindal Strips Limited. The company was incorporated on June 10, 1993 in the name of Kay Kay Cold Storage Private Limited. Pursuant to scheme of arrangement sanctioned by High Court of Punjab & Haryana, Vasind division (consisting of cold rolling facility) of the Jindal Strips Limited has been transferred to a subsidiary company Kay Kay Cold Storage Limited with effect from January 1, 2000 (appointed date) on a going concern basis for a consideration of Rs. 35 crores. The name of the company was changed to Jindal Steel and Alloys Limited. The scheme has been made effective on October 3, 2000. The manufacturing facilities of the company has been given on Conducting agreement basis for a period of 33 months commencing from 1<sup>st</sup> June 2003 and ending on 28<sup>th</sup> February 2006 to Jindal Vijayanagar Steel Limited for the consideration of Rs 50 Lacs per month. Board of Directors details as follows

<u>Name</u>	<u>Designation</u>
Mr. Raman Madhok.	Managing Director
Mr. K. N. Patel	Director
Mr. Rajeev Pai	Director
Mr. Ram Chandra Sharma	Director
Dr. Vinod K. Nowal	Director
Mr. Subhash Sharma	Director
Mr. Sushil Bansal	Director
Mr. Om Prakash Agarwal	Director

**Shareholding Pattern is as follows:**

<b>Shareholders</b>	<b>No. of shares</b>	<b>% of shareholding</b>
Jindal Strips Limited	70,18,500	99.9786
Mr. O. P. Jindal	500	0.0071
Mr. Ratan Jindal	500	0.0071
Mr. N. K. Jain	100	0.0014
Mr. Raman Madhok	100	0.0014
Mr. K. N. Patel	100	0.0014
Mr. P. R. Kole	100	0.0014
Mr. Rajeev Pai	100	0.0014
<b>Total</b>	<b>7020000</b>	<b>100.0000</b>

**Financial Performance:**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>FY03-04</b>	<b>FY02-03</b>	<b>FY01-02</b>
Share capital	702.00	702.00	702.00
Reserves and surplus (excluding revaluation reserves)	3075.83	3005.34	2951.06
Sales (Net of Excise)	9808.28	17005.24	21569.68
PAT	70.49	54.27	109.78
Dividend (%)	-	-	-
EPS (Rs.)	1.00	0.77	1.56
BV (Rs.)	53.82	52.80	52.02

**(34) Vijayanagar Minerals Private Limited (VMPL)**

The company was incorporated on June 17, 1997. It is in the business of mining and extraction of minerals, metals, ores etc. The board of directors comprises Dr. S. K. Gupta, Dr. B. N. Singh, Smt. Jija Madhavan Hari Singh, Mr. Yogendra Tripathi, Mr. Anil Sood, Mr. P. Krishne Gowda, Mr. M. A. Venkateshan and Mr. U. V. Singh.

**Shareholding Pattern**

The shareholding pattern is as follows:

<b>Shareholders</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
Jindal Vijayanagar Steel Limited	4000	40.00
Mysore Minerals Limited	3000	30.00
Gagan Trading Company Limited	1500	15.00
Sun Investments Pvt. Limited	1500	15.00
<b>Total</b>	<b>10000</b>	<b>100.00</b>

**Financial performance**

The financial performance of the company (Rs. in lacs) is given below:

<b>Particulars</b>	<b>FY 04</b>	<b>FY 03</b>	<b>FY 02</b>
Equity Share Capital	1.00	1.00	0.00020
Reserve and surplus (excluding revaluation reserve)	(463.16)	(629.55)	(568.10)
Sales	2,289.88	1,664.74	1,051.90
PAT	166.39	(61.45)	(568.10)
Dividend	-	-	-
EPS (Rs.)	-	-	-
BV (Rs.)	10	10	10

**(35) Southern Iron And Steel Company Limited (SISCOL)**

Southern Iron and Steel Company Limited (SISCOL) was incorporated on September 11, 1991 as a Public Limited Company promoted by M/s. Lakshmi Machine Works Ltd. (LMW) and Tamil Nadu Industrial Development Corporation Ltd. (TIDCO). The Company is in the business of manufacturing Pig iron, Billets, Bars and Rods at its integrated steel plant located at Pottaneri/M. Kalipatti villages. In terms of the CDR approval and as per approval by the shareholders of SISCOL and by SEBI, LMW has sold their entire shareholding in SISCOL to the Jindal South West (JSW) Group, which is headed by Mr. Sajjan Jindal.

The Company operates an integrated steel plant having facilities for production of Pig Iron, Steel Billet and Rolled Steel products in the long product category. The capacity of the plant is 0.3 mtpa. It has adopted the Sinter plant – Blast furnace – Energy Optimising Furnace – Continuous Casting Machine – Bar and Rod mill route with virgin iron ore as the basic input material. It also has plants for generation of power and production of oxygen. The Company started commissioning its units with iron making division and power plant in 1996, Sinter plant in August 1997, Steel Melting Shop in January 1999, Air Separation plant in June 1999 and Bar and Rod Mill in May 2002. The Company has become a Sick Company as on June 30, 2004 within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995, and is referred to BIFR.

The board of directors of the company comprises Mr. N. K. Jain, Mr. Vijay Sharma, Mr. K. T. Krishna Deshika, Mr. P. Shanmugasundaram, Mr. V. Prakash, Mr. Kamal Kishore Gupta and Mr. S. V. Kshirsagar.

**Shareholding Pattern**

The shareholding pattern as on December 31, 2004 is as follows:

<b>Category</b>	<b>No. of Shares</b>	<b>% of shareholding</b>
<b><u>Promoters and Promoter Group</u></b>		
(a) JSW Group (including Mr. Sajjan Jindal)	3,00,00,000	39.71
(b) TIDCO	82,50,000	10.92
<b>Sub Total (a)+(b)</b>	<b>3,82,50,000</b>	<b>50.64</b>
<b><u>Other Shareholders</u></b>		
Mutual Funds and UTI	56,700	0.08
Banks, FIs and Insurance Companies	10,100	0.01
Private Corporate Bodies	29,71,974	3.93
Indian Public	3,42,21,976	45.30
NRI/OCBs	29,100	0.04
<b>Total</b>	<b>7,55,39,850</b>	<b>100%</b>

**Financial performance**

The financial performance of the company (Rs.in lacs) is given below:

Particulars	FY03-04 (15 months)	FY02-03	FY01-02
Share capital	16039.24	16039.24	16039.24
Reserves and surplus (excluding revaluation reserves)	7607.96	7607.96	7607.96
Sales	34144.56	26844.43	4930.38
PAT/(Loss)	(15340.49)	(4570.47)	(2771.43)
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	(20.31)	(6.05)	(3.67)
BV (Rs.)	(16.25)	4.06	10.11

### Stock Market Data

Month	BSE	
	High (Rs.)	Low (Rs.)
October 04	18.30	14.95
November 04	23.85	15.05
December 04	24.60	20.10
January 05	23.75	18.00
February 05	34.85	21.80
March 05	51.45	21.80

The Company's rights issue is open since March 31, 2005 and closes on April 29, 2005. The market price of shares of the company (as on April 15, 2005) on BSE was Rs.24.10 and the market capitalization was Rs.182.05 crores.

The company has engaged the services of a Registrar & Transfer Agent to handle the grievances of the investors. The average time taken by the company for redressal of complaints is up to two weeks, depending on the type of complaint. Status of Investor Complaints received during the period from October 2004 to March, 2005 – Received 16, resolved/replied 16 and Pending Nil.

### (C) Associate Companies

#### (1) South West Port Limited (SWPL)

SWPL incorporated on June 26, 1997 as a private limited company known as ABG Goa Port Private Limited and promoted by ABG Heavy Industries Limited (ABGHIL). The company's name was subsequently changed to SWPL in September 2003. SWPL has entered into a license agreement with Mormugao Port Trust (MPT) on April 11, 1999 for the development, designing, engineering, financing, constructing, equipping, owning, operating and maintaining two dedicated bulk cargo berths at MPT on a build, own, operate and transfer (BOOT) basis.

The board of directors of the company comprises Mr. Sajjan Jindal, Captain B.V.J.K. Sharma (Joint MD & CEO), Mr. Raman Madhok, Dr. V.K. Nowal, Mr. Nasser Munjee and Mr. Saket Agarwal.

### Shareholding Pattern

The shareholding pattern is as follows:

Shareholder	No. of shares	% of shareholding
ABG Heavy Industries Ltd. (including nominees)	1,20,12,000	26.00
Dhaman khol Engg. & Const. Co. Pvt. Ltd	84,20,000	18.23



Tranquil Homes & Holdings Pvt. Ltd.	1,10,00,000	23.81
Nalwa Chrome Pvt. Ltd. (Including Nominees)	45,24,938	9.79
Silver Steel Ltd	1,02,43,062	22.17
<b>Total</b>	<b>4,62,00,000</b>	<b>100.00</b>

After March 31, 2004 the Company has issued 11229900 equity shares. The Shares of the SWPL are not listed. However, 9.5% Secured Redeemable Non Convertible Debentures of the Company are listed on The Stock Exchange, Mumbai.

### Financial performance

The financial performance of the company (Rs. in lacs) is given below:

Particulars	FY 04	FY 03	FY 02
Equity Share Capital	3497.01	1150.00	550.00
Advance against Share Capital	--	450.00	--
Reserve & Surplus	--	--	--
Miscellaneous Expenditure not written off	53.21	28.36	7.98
BV (Rs.)	9.85	9.82	9.85

Since the company had not started commercial operation till FY04, no profit and loss account has been prepared by the company.

### (2) Jindal Praxair Oxygen Company Private Limited (JPOCL)

JPOCL was incorporated on September 27, 1995 and manufactures liquid and gaseous Oxygen, Nitrogen and Liquid Argon. The Board of Directors of the company comprises Mr. N.K. Jain, Mr. I. Qureshi, Mr. Moosa Raza, Mr. Asit Gangopadhyay, Mr. Gerry Reidy, Mr. Sharad Madhok, Mr. K. Kalyana Sundaram, Mr. John Panikar, Mr. C. Muralidhara, Mr. Venkatesh Prabhu and Mr. Vikas Sharma.

### Shareholding Pattern

The shareholding pattern is as follows:

Shareholder	No. of shares	% of shareholding
Praxair Pacific Private Limited	11,24,80,000	74.00
Jindal Vijayanagar Steel Ltd.	3,95,20,000	26.00
<b>Total</b>	<b>15,20,00,000</b>	<b>100.00</b>

### Financial performance

The financial performance of the company (Rs. in lacs) is given below:

Particulars	FY 2003	FY 2002	FY 2001
Equity Share Capital (Shares of Rs. 10 each)	15,200.00	15,200.00	7,600.00
Reserves and surplus (excluding revaluation reserves)	4,752.42	3,551.17	1,248.89
Income (incl. other income)	27,571.47	25,877.37	16,718.79
PAT	2,910.10	2,604.01	845.03
Dividend (%)	NIL	NIL	NIL
EPS (Rs.)	1.91	2.01	1.11
BV per share (Rs.)	13.11	12.31	11.59

Note: Audit for FY 2004 has not been completed yet.

**SUBSIDIARY COMPANIES**

JSWHL has no subsidiary company/ies as on date.

## **MANAGEMENT DISCUSSION & ANALYSIS**

### ***Performance in successive periods***

The Company was incorporated on July 12, 2001. During financial year 2001-02 since the Company had not commenced any commercial activity, no Profit & Loss account was prepared. The Company raised equity share capital of Rs. 5 lacs and incurred pre-operative expenses to the tune of Rs. 0.70 lacs.

During financial year 2002-03 the Company raised additional share capital of Rs. 5 lacs and made investments in Jindal Group Companies to the tune of 8.28 lacs. The Company also provided consultancy services resulting in an income of Rs. 0.50 lacs. In financial year 2003-04, the Company continued to hold its investments in Jindal Group Companies in addition to providing of consultancy services.

Pursuant to the Scheme of Arrangement and Amalgamation approved by Hon'ble High Courts of judicature at Bombay and Karnataka, the Investment Division of JISCO, pursuant to the provisions of Section 391-394 of the Companies Act, 1956, without any further act, instrument, or deed, stands transferred to and vested in JSWHL.

After giving effect to the above Scheme during the Financial Year 2004-05, the Income of the Company for the year ended March 31, 2005 stood at Rs. 560.66 lacs mainly comprising of dividend and interest income and the Profit after Tax amounted to Rs. 529.48 lacs. The share capital of the Company stood at Rs. 1109.96 lacs as against Reserves and Surplus of Rs. 52121.06 lacs.

### ***Risk & Concerns***

JSWHL's main source of income is dividend on investments made in listed / unlisted companies. Therefore, any adverse financial impact on the operations / business / performance of investee companies will have negative impact on the revenue of JSWHL.

## PROMISE VERSUS PERFORMANCE

The details of shortfall in promise vs. performance for the Company and other listed group companies are given below:

### Public Issue of the Company

The Company has not come out with any public issue in the past.

### Public Issue of Jindal Vijayanagar Steel Limited

The company had come out with two simultaneous but unlinked public issues of (a) 13,50,00,000 equity shares of Rs. 10 each for cash at par aggregating Rs. 135 crores and (b) 27,25,00,000 14% secured redeemable Partly Convertible Debentures (PCDs) of Rs. 40 each for cash at par aggregating Rs. 1090 crores. These issues opened for subscription on February 10, 1995. A comparison of promises versus performance is given below:

(Rs. in crores)

Particulars	Six Months		Year ending March 31					
	1997	1997	1998	1998	1999	1999	2000	2000
	Projections	Actuals	Projections	Actuals	Projections	Actuals	Projections	Actuals
Sales and other Income	621.00	0.08	1548.00	180.93	1740.00	537.92	1944.00	931.23
PBIDT	183.00	(0.30)	801.00	34.20	1093.00	78.87	1220.00	129.78
Interest	32.00	0.37	151.00	47.68	317.00	84.43	320.00	197.67
Depreciation	17.00	0.18	126.00	21.30	162.00	23.48	162.00	80.29
PBT	134.00	(0.84)	524.00	(34.77)	614.00	(29.04)	738.00	(148.18)
PAT	134.00	(0.84)	530.00	(34.77)	623.00	(29.04)	725.00	(148.18)

The project cost to set up an integrated steel plant of capacity of 1.25 mtpa of HR coils in June 1994 was estimated to be Rs. 3300 crores including margin money for working capital. The actual project cost up to March 31, 2004 was Rs. 6226 crores.

During the initial project implementation, modifications were effected to the basic design of the main plant and additional plant/facilities like pellet plant, converter caster, hot charging systems in Hot Strip Mill were added to enhance the overall capacity of the integrated steel plant to 1.57 mtpa. The commissioning of the plants was delayed due to technological issues. Corex 1 was recommissioned after a lapse of one year by carrying out rectifications/modifications. Delay in disbursement of loans and non-receipt of call money caused a further delay in project implementation. Capitalisation of pre-operative expenses incurred during prolonged trial run, increase in interest during construction and foreign exchange variation also resulted in a cost overrun of the project. When the company started operation of the integrated steel plant after recommissioning of Corex, the steel industry as a whole witnessed historically low level of selling prices on account of a global down turn.

### Public Issue of Southern Iron And Steel Company Limited

The Company had come out with two simultaneous but unlinked issues of (a) 1,27,50,000 equity shares of Rs. 10 each for cash at a premium of Rs. 10 aggregating Rs. 25.50 crores and (b) 35,00,000 Partial Optional Convertible Debentures (POCDs) of Rs. 70 each for cash at par aggregating Rs. 24.50 crores. These issues opened for subscription on March 23, 1995. A comparison of promises versus performance is given below:

(Rs. in crores unless mentioned otherwise)

	FY 96		FY 97		FY 98		FY 99	
	Projection	Actual	Projection	Actual	Projection	Actual	Projection	Actual
Installed capacity (mtpa)	183,500	183,500	214,725	214,725	214,725	214,725	214,725	214,725
Capacity utilization	60.00%	Trial prodn.	70.00%	22.72%	80.00%	41.21%	90.00%	27.89%
Sales income	76.80	0.29	228.63	16.28	261.29	65.13	293.95	37.27
Other income	-	4.31	1.50	0.80	4.50	0.35	7.50	1.99
Total income	76.80	4.60	230.13	17.08	265.79	65.49	301.45	39.27
PBIDT	14.44	(7.01)	84.81	(4.79)	101.00	(1.74)	116.98	(7.52)
Interest	9.52	5.42	48.12	8.56	49.96	12.44	46.94	17.34
Depreciation	9.37	0.45	21.17	5.25	21.70	7.53	22.49	8.51
PBT	(4.45)	(12.88)	15.46	(18.61)	29.34	(21.71)	47.55	(33.37)
Taxation	-	-	-	-	-	-	-	-
PAT	(4.45)	(12.88)	15.46	(18.61)	29.34	(21.71)	47.55	(33.37)
Gross cash accruals	5.66	(12.42)	37.37	(13.35)	51.78	(14.18)	70.78	(24.86)
Dividends	-	-	-	-	-	-	8.70	-
Rate - %	-	-	-	-	-	-	10.00%	-
Net cash accruals	5.66	(12.42)	37.37	(13.35)	51.78	(14.18)	62.08	(24.86)
Equity capital	75.00	75.00	75.00	75.00	75.00	75.00	87.00	75.54
Reserves & surplus	70.55	75.00	86.01	75.00	113.91	75.00	161.87	76.08
EPS (Rs.)	-	(1.72)	2.06	(2.48)	3.91	(2.89)	5.47	(4.42)
Book value (Rs)	19.41	19.58	21.47	17.14	25.19	19.00	28.61	17.16

Due to delay in disbursement of funds by the financial institutions for project completion, the cost of project went up substantially adding to the fixed cost component of its finished products. The lower capacity utilization was due to non-availability of input materials in time, which in turn was due to non-availability of working capital. The main reason for this was depressed steel market scenario with low demand and low selling prices, which was even below the cost of production. While the cost of input, mainly raw material, energy i.e. power and furnace oil increased, the selling prices showed a decreasing trend.

In view of external factors such as adverse market conditions, competition, lower demand and lower sales realization, the Company took various steps to improve operational efficiency, decrease wastage, reduce cost of production and to improve quality.

The plant, being an integrated steel plant, with pyro metallurgical equipment and machinery, blast furnace, Air Separation Plant (ASP) and boilers of power plant and Energy Optimization Furnace (EOF), requires uninterrupted operations. The shutdown of operations, especially at blast furnace, adversely affected the equipment and the life of refractory lining. Frequent shutdowns and start up at blast furnace has led to excessive consumption of costly input materials such as coke and furnace oil. Cryogenic equipment such as ASP is not designed for any stoppages and is expected to work with uninterrupted operations for years together. Frequent stoppages of ASP caused substantial increase in cost of up-keep for the equipment. Every start up required liquid oxygen to be purchased from external source, which added to the cost.

Due to frequent stoppage and start-up, huge expenses at other areas of the plant also had to be incurred because of excessive refractory wear at EOF ladles and tundish and fuel cost for heating of refractory. Due to under-utilization of capacity at iron making and steel making stages and almost no capacity utilization in BRM, the fixed cost and semi-fixed cost components such as manpower, electricity etc. also substantially contributed to a high cost of production. The unscheduled stoppages

also resulted in huge inventory of high value items like ferro alloys, which blocked working capital and increased interest cost.

The Company's project was originally scheduled for completion in March 1996, with commercial production in April 1996. However, the Company could commission only the first phase of the project (iron making facilities) by July 1996. The project has witnessed time and cost overrun since inception due to various reasons outlined above. The project had suffered a cost overrun from Rs. 450 crores at the time of original appraisal to Rs. 1035 crores till completion of project in January 2003.

The original cost estimated at Rs. 450 crores in July 1994 was revised to Rs. 688 crores in September 1997, to Rs. 839 crores in August 1999 and finally revised to Rs.1035 crores in September 2001. The reasons for the cost overrun are given below:

*Revision in September 1997:* The first phase of the project (pig iron project) was completed after a delay of 14 months, mainly due to delays in acquisition of land. The second phase of the project (steel making through 30 tons of EOF and steel finishing) was delayed due to change in the scope of the project and changes in the specifications of equipment coupled with delays in tying up the required funds for the project. The Company had originally planned to import a second hand mill at a cost of Rs. 46 crores including refurbishing cost for a 0.22 mtpa mill. The Company later entered into a contract for 0.30 mtpa mill at a cost of Rs.101.08 crores. Consequent to the change in the configuration of the mill, there was an increase of Rs. 25.44 crores in the cost of building and an increase in the cost of EOF and SMS primarily due to increase in the cost of building from Rs. 12.87 crores to Rs. 34.05 crores. There was also an increase in cost of miscellaneous assets to the extent of Rs. 12.71 crores and pre-operative expenses and interest during construction by Rs. 35.28 crores consequent to delays in the implementation of the project.

*Revision in August 1999:* Due to the depressed capital market conditions, the Company could not raise the public portion of the additional equity aggregating Rs. 44.10 crores for meeting a part of the Rs. 238 crores increase in the project cost as appraised in September 1997. Due to the gap in the means of financing, the implementation of the project, which was scheduled for completion in October 1998, was delayed. As a result, there was an increase in the cost of project estimated at Rs. 839 crores, because of an increase of Rs.151 crores mainly on account of additional interest during construction of Rs.108.18 crores, other pre-operative expenses of Rs. 19.06 crores, exchange fluctuation of Rs. 4.91 crores on the foreign currency loans.

*Revision in September 2001:* The Company had commenced production from part of the facilities. However, due to shortage of working capital, the facilities were shut down from November 2000. The project cost was reappraised in September 2001 to Rs. 1035 crores, an increase by Rs. 196 crores compared to the previous appraisal of Rs. 839 crores. The increase was mainly on account of the increase in the interest during construction of Rs. 143.17 crores, increase in trial production losses capitalized of Rs. 27.1 crores, capital equipment costs not originally envisaged (electro-magnetic stirrer) of Rs. 2.96 crores and balance mainly on account of the cash losses on sale of the intermediate products.

However, the present project expansion is being implemented by the JSW Group, the new promoters, and executives who have experience in implementing projects in the area.

### **Public Issue of Jindal Strips Limited**

In 1992, the company came out with the rights issue of 77,79,203 - 12.5% Partly Convertible Debentures (PCDs) of Rs. 360 each for cash at par aggregating Rs. 280.05 crores, to enhance capacity from 0.1 mtpa Sponge Iron/Pig Iron to 0.6 mtpa of Sponge Iron and 0.5 mtpa of Pig Iron and to put up a captive power generation unit of 45 MVA based on waste heat of the flue gases from Sponge Iron

plant at Raigarh, Madhya Pradesh. This issue opened for subscription on March 9, 1992. A comparison of promises versus performance is given below:

- The cost of fixed assets in the project is as under (Rs. in crores):

	Planned costs	Actual costs
Land & site development	1.99	2.41
Building	19.68	28.34
Plant & Machinery	147.89	345.79
Misc. Fixed Assets	99.82	15.36
Others	85.62	57.62
<b>Total</b>	<b>355.00</b>	<b>449.52</b>

The actual project cost, cumulative till 1995-96, was Rs.449.52 crores. The cost overrun was due to the time taken for selection of appropriate equipment on the basis of technical and environment control aspects and price escalation.

- Installation of kilns of Sponge Iron and 45 MVA power generation facility was completed by the company as follows:

Particulars	Actual Date of Completion
Kilns	21-Mar-91 to 11-Jan-96
Turbine Generation # I	23-Mar-92
Turbine Generation # II	18-Mar-94
Turbine Generation # III	28-Mar-95
Electric Arc Furnace I	23-Feb-93
Electric Arc Furnace II	28-Feb-95
Submerged Arc Furnace	21-Mar-91

As per the plans disclosed in the letter of offer of the company, the kilns and submerged arc furnaces were expected to be installed by March 1994.

As per the original plan, Sponge Iron was to be manufactured from the Rotary Kiln (6 kilns each of 0.1 mtpa) and the Sponge Iron in hot stage, without having the cooling cycle operation, was to be transferred to Submerged Arc Furnace for manufacturing Pig Iron. This technology was, however, not successful for the company, and problems were also faced by other steel manufacturers. The company, therefore, changed the plan for manufacture of Pig Iron and decided to install 2 Electric Arc Furnaces of 50 tons each for manufacturing Mild Steel. The Submerged Arc Furnace installed initially was utilized for manufacturing Ferro Chrome.

- The company expected to achieve a capacity utilization of 30% for 1992-93, 50% for 1993-94 and 70% for 1994-95 for its new project. The actual capacity utilization is as given under:

Year	Product	Unit	Installed Capacity	Production	Utilisation
1990-91	Sponge Iron	MT	100,000	97	4%
	Pig Iron	MT	100,000	75	3%
1991-92	Sponge Iron	MT	200,000	11,719	11%
	Pig Iron	MT	100,000	490	0.5%
1992-93	Sponge Iron	MT	200,000	46,734	23%
	Pig Iron	MT	100,000	513	1%
	Mild Steel	MT	200,000	5,566	26%
1993-94	Sponge Iron	MT	300,000	97,175	43%
	Pig Iron	MT	100,000	nil	
	Mild Steel	MT	200,000	20,916	10%
	Power	-	30 MW	2,757,000 kwh	

1994-95	Sponge Iron	MT	400,000	204,850	66%
	Mild Steel	MT	200,000	45,970	23%
	Power	-	30 MW	35,073,667 kwh	
	Ferro Chrome	MT	30,000	1,771	6%
1995-96	Sponge Iron	MT	500,000	300,380	71%
	Mild Steel	MT	500,000	69,447	14%
	Power	kwh	45 MW	78,613,745	
	Ferro Chrome	MT	30,000	7,731	26%

Note: Capacity utilisation % has been worked out after considering commissioning period.

The actual capacity utilization is close to the projected figures except for some differences encountered during the process of stabilization of equipment.

### **Public Issue of Jindal Saw Limited**

In 1986, the company came out with the public issue of 19,92,000 equity shares of Rs. 10 each for cash at par aggregating Rs. 1.992 crores, to set up a project for the manufacture of high pressure, thick walled large diameter SAW Pipes. This issue opened for subscription on July 7, 1986. The project was completed on 13.3.1987 and commercial production was started.



## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Save as stated herein:

- There are no outstanding or pending material litigation, suit, criminal or civil prosecution, proceeding initiated for offence (irrespective of whether specified in paragraph (I) of Part 1 of Schedule XIII of the Companies Act) or litigation for tax liabilities against the Company, its Promoters, Directors or Promoter Group companies.
- There are no material defaults, non payments or overdues of statutory dues, institutional or bank dues or dues towards holders of debentures, bonds and fixed deposits and arrears of preference shares, other than unclaimed liabilities of the Company, its Promoters or Promoter Group companies.

### **Against JSWHL**

There is no outstanding litigation and default against JSWHL.

### **Against JSWHL by employees**

There is no outstanding litigation against JSWHL by its employees.

### **By JSWHL against its employees**

There is no outstanding litigation by JSWHL against its employees.

### **Against Promoter / Group / Associate Companies of JSWHL**

#### **(A) Promoter Companies**

##### **(1) Jindal Strips Limited**

Sr. No.	Case No.	Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
1.	O.A. No.213 of 2001	Benares State Bank Ltd. The United Western Bank Ltd. ... Applicants Vs. Hindustan Foils Ltd. & Ors. Jindal Strips Ltd. (Resp. No.6) ...Defendants	DRT, New Delhi for Hearing	Recovery Suit for bills dishonoured by Hindustan Foils. A decree of Rs. 86,40,291/- along with interest is sought against Jindal Strips	86,40,291/- together with interest @22.15%	Jindal Strips had accepted hundis worth Rs. 86,40,291/- drawn by Hindustan Foils and discounted the same with the Applicant Bank. Hindustan Foils dishonoured the payment thereof and so the Applicant Bank filed the above recovery suit against both Jindal Strips and Hindustan Foils for payment of the hundi Amount. Hindustan Foil Ltd. has filed an

						application for registering itself as a Sick Industrial Unit with BIFR. The application is presently pending before A.I.F.R. Jindal Strips Ltd. has also filed seven suits against Hindustan Foil to recover an amount of Rs. 45 lacs (approx.)
2.	-	Sanjay Kumar ...Plaintiff V/s. Jindal Strips Ltd. ...Defendants	Civil Court, Hisar for Hearing	Injunction Suit	-	The Plaintiff is a shareholder of Jindal Strips and has filed this suit for restraining the company from releasing any payment to other Defendants without adjusting the loss caused by the other Defendants to Defendant No.1.
3.	Special Leave Petition No.27010 of 2004	Jindal Strips Ltd. ...Petitioner V/s. State of Orissa & Ors. ...Respondents	Supreme Court of India for Hearing	Joint Venture Partnership between Industrial Development Corporation of Orissa Ltd. ("IDCOL")	-	IDCOL had invited bids for forming a JV with in respect of Tangarpada Mines and selected Jindal Strips as its JV Partner. A Special Leave Petition has been filed pursuant to the Order passed by the Division Bench of Orissa High Court which directed IDCOL to issue fresh advertisement to select a new JV Partner. Jindal Strips has Appealed against the aforesaid order in the Apex Court. Other companies and organisations viz. TISCO and VISA had also filed Petitions challenging the selection of Jindal Strips as JV Partner of IDCOL.

4.	I.A. No.2 of 2004 In Review Petition (Civil) No.469 of 2003 In Transfer Case No.9 of 2002.	Indian Charge Chrome Ltd. & Anr. V/s. Union of India & Ors. And Jindal Strip Ltd.	Supreme Court of India for Hearing	-	-	Jindal Strips Ltd. has filed an Intervener Application in a case filed by Indian Charge Chrome Ltd. on the ground that interest of the Petitioner and that of Jindal Strips Ltd. is identical in nature. Indian Charge Chrome Ltd. had challenged the recommendation of the State Government on the ground that no special reasons were recorded for grant of preference to Nav Bharat Ferro Alloy Ltd. under Section 11(5) of the MMRD Act, 1957 in relation to Sukhinda Valley / Sukhinda Mines. The Petitioner has sought review of the said judgment from the Supreme Court. Intervention Application of JSL shall be considered only if review petition is allowed.
5.	Supreme Court of India I.A. No.2 of 2004 In SLP (Civil) No.17250 of 2003 In Civil Appeal No.6788 of 2004	State of Orissa ...Petitioner V/s. GMR Technologies & Industries Ltd. & Ors... Respondents And Jindal Strip Ltd. ...Applicant	Supreme Court of India for Hearing	Lease of Mines		Jindal Strips Ltd. has filed an Intervention Application as the issues under consideration of the Supreme Court in the SLP were the same as the issues involved before the lower court in a case filed by it. State Govt. decision to allocate the entire 436.295 hectares in Sukhinda Mines to Orissa Mining Corporation contrary to Chahar

						Committee Report which had in turn granted 39.742 hectares to Jindal Strips Ltd. amongst others was struck down by High Court of Orissa. State of Orissa has filed an SLP against the said judgment. Jindal Strips Ltd. had also filed a Writ Petition against State of Orissa for quashing the decision of the State Government to allocate entire area of 436.295 hectors to Orissa Mining Corporation
6.	Criminal Complaint No. 35 of 1996 under Section 138 r/w Section 142 of the Negotiable Instruments Act.	Jindal Strips Ltd. Vs. M/s. Uniplas India Ltd. & Ors.	MM Patiala House, New Delhi For Evidence	Return of Inter-Corporate Deposit	50,00,000/- as principal amount and Rs. 3,03,780/- as interest	Jindal Strips made an Inter-Corporate Deposit (ICD) of Rs. 50,00,000/- in Uniplas India Ltd. for a period of 90 days. Uniplas India Ltd. issued cheques of Rs. 50,00,000/- as principal amount and Rs. 3,03,780/- as interest by way of return of the ICD which were dishonoured by the Bankers of Uniplas India Ltd. This complaint was thereafter filed under section 138 r/w Section 142 of the Negotiable Instrument Act.
7.	45 of 1995	M.S.T.C. Vs. Jindal Strips Ltd.	4 <sup>th</sup> Court pf Civil Judge (SK Division), Alipur Court	Payment of Charges	Rs. 9.88 lacs	There was an suit filed in 1984 against the Company in which the Plaintiff was granted an Ex-parte Order for payment. The company filed another suit for setting aside the ex-parte order, which is pending.

8.	TS/141/1997	Sajjan Industrial Corporation Vs. Jindal Strips Ltd.	2 <sup>nd</sup> Sub-Judge Court (Sr. Div.), Howrah	For Common Postage	No money claim	
9.	TS/166/2004	Sajjan Industrial Corporation Vs. Jindal Strips Ltd.	2 <sup>nd</sup> Sub-Judge Court (Sr. Div.), Howrah	Claim for Rent		The Plaintiff has filed this suit claiming some rent to be payable by the company.

**Note:** Some Shareholders have filed 14 Cases in various Courts and Consumer Redressal Forums in India for grievances such as issue of duplicate share certificates, loss in transit and non-receipt of interest warrants.

### Labour Disputes

1.	Five (5) Cases	State, through Asst. Director, Industrial Safety, Health, Hisar... Plaintiff V/s. R. P. Jindal (Occupier & Manager of M/s. Jindal Strips Ltd.) Defendants	Chief Judicial Magistrate, Hisar for Hearing	Death and Injury to some workers in the Factory	Minimum fine of Rs. 1, 20,000/-	Some workers of the company met with an accident in the factory. A couple of them died and the others suffered grievous injuries. According to the department, there was a violation of Section 7A and 21 of the Factories Act and Rule 66C of Punjab Factory Rules, 1952. The company is disputing the allegations.
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### Sales Tax Matters

1.	Jindal Strips Ltd. ... Appellant V/s. Assessing Authority, Hisar Dist. ... Defendants	Joint Excise & Taxation Commissioner (Appeals)	A.Y. 1991-1992	Rs. 58,35,057	The Dy. Excise & Taxation Commissioner cum Assessing Authority, Hisar passed an order levying total Purchase Tax of Rs. 58,35,057/- upon the Company in relation to store goods, which were consumed in the manufacture of goods, which were sold either in Haryana or in consignment sales outside the State of Haryana. The company disputed the liability on the ground that no tax is to be levied as the percentage of goods purchased from Haryana was the same, which were sold within the State of Haryana. The company has challenged the aforesaid order by filing this Appeal before the Jt. Commissioner (Appeal).
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### Income Tax Matters

1.	I.T.A. No.276 of 2003	Commissioner of Income Tax V/s. M/s. Jindal Strips Ltd.	High Court, New Delhi	A.Y. 1996-1997 This matter is in respect of the liability of Jindal Strips Ltd. The first I.T. returns of Jindal Stainless Ltd. have been filed in A.Y. 2003-04.	Loss of Rs. 6,47,95,725/ Tax amount of Rs. 2.98 crores	The company has debited an amount of Rs. 6.47 crores to the profit and loss A/c. for the year ending 31.3.1996 on account of fluctuation in foreign exchange rate. The Department has filed the above Appeal in the Delhi High Court challenging the above order dated 17.10.2002 of ITAT, New Delhi.
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### **Investigation by SEBI**

An investigation has been carried out by SEBI in respect of spurt in prices and volumes of Jindal Strip Ltd. (JSL) during the period April to October 2004. SEBI had written to JSL in November 2004 asking for the company personnel to appear before the investigating officer in respect of an investigation being carried out by SEBI. Certain information asked for by SEBI was provided by JSL in the meeting with SEBI and the remaining information was furnished vide its letter dated January 10, 2005. However, JSL has not received any other communication from SEBI subsequently.

### **(2) Jindal Holdings Limited**

As per the Audited balance sheet of 2003-04, contingent liabilities not provided for in respect of 5,50,00,000 equity shares of Jindal Vijayanagar Steel Ltd. (JVSL) and 669 equity shares of Jindal Iron & Steel Co. Ltd. have been deposited with a financial institution, for financial assistance taken by other body corporate.

### **(3) Stainless Investments Limited**

- Contingent liabilities not provided for includes total demand raised by the Income Tax department upto assessment year 2001-2002 is Rs.117.34 lacs which is disputed.
- Non-payment of dues under Gift Tax is as follows: -

Name of the Statue	Nature of the dues	Amount	Forum where dispute is pending
Gift Tax Act, 1958	Gift tax demand	1,17,34,661	ITAT, New Delhi

### **(4) Mansarover Investments Limited**

- Contingent liabilities not provided for towards disputed income tax liability of Rs. 223.79 lacs.
- Non-payment of dues are as follows: -

Sr. No.	Name of the Statute	Nature of the dues	Amount	Forum where dispute is pending
1.	Income Tax Act, 1961	Income tax demand	1,15,21,960	ITAT, New Delhi
2.	Income Tax Act, 1961	Income tax demand	47,31,730	CIT (A), New Delhi
3.	Gift Tax Act, 1958	Gift tax demand	61,25,807	ITAT, New Delhi

(5) **Jindal Equipment Leasing and Consultancy Services Limited**

- As per Audited Balance Sheet of March 31, 2004 Contingent liabilities are: -
  - a) Outstanding disputed income tax and gift tax liability of Rs. 743.83 lacs, for which no provision has been made.
  - b) The Company has given 1376677 equity shares of Jindal Iron & Steel Co. Ltd with Deutsche Bank as safe custody of credit facility granted to Jindal Tractable Ltd.
  - c) The Company has pledged 4900000 equity shares of Jindal Vijayanagar Steel Ltd & 669 sares of Jindal Iron & Steel Co. Ltd with the various financial institutions/banks as security for financing facilities extended to Jindal Vijayanagar Steel Ltd
  - d) The Company has pledged 1047068 equity shares of Jindal Steel & Power Ltd with ICICI/IDBI as security for financing facilities extended to Jindal Steel & Power Ltd.
  - e) Rs. 212.55 lacs of dividend on 10% Redeemable Cumulative Preference Shares not provided.
  - f) In respect of bid for 63.05 lacs equity shares of Haryana Concast Ltd from H.S.I.D.C. Rs. 715.00 lacs.
- Non-payment of dues are as follows: -

Sr. No.	Name of the Statute	Nature of the dues	Amount	Forum where dispute is pending
1.	Income tax Act, 1961	Income tax demand	5,78,34,738	ITAT New Delhi
2.	Gift Tax Act, 1958	Gift tax demand	1,65,48,488	ITAT New Delhi

(6) **Nalwa Investments Limited**

Contingent liabilities not provided:

- a) Disputed income tax Liability Rs. 399.44 lacs (Previous year Rs. 287.99 lacs)
  - b) Rs.1293.75 lacs Cumulative arrear of dividend on 10% Redeemable Cumulative Preference Shares.
- Non-payment of dues are as follows: -

Sr. No.	Name of the Statute	Nature of the dues	Amount	Forum where dispute is pending
1.	Income tax Act, 1961	Income tax demand	1,83,56,217	CIT (Appeals) New Delhi
2.	Income tax Act, 1961	Income tax demand	2,15,88,437	ITAT New Delhi

**Penalty Imposed by SEBI**

A sum of Rs. 175,000/- has been paid on October 20, 2004 under amnesty scheme for regularisation of Violation of Regulation 6&8 of (Substantial Acquisition of Shares & Takeover) Regulation 1997.

**(7) Abhinandan Investments Limited**

Contingent liabilities not provided:

- a) Rs.752.53 lacs Cumulative arrear of dividend on 10% Redeemable Cumulative Preference shares.
- b) The company has pledged 2,16,360 equity shares of Jindal Steel & Power Ltd., with I.C.I.C.I. Ltd., for credit facility granted to JSPL.

**Penalty Imposed by SEBI**

A sum of Rs. 175,000/- has been paid on October 20, 2004 under amnesty scheme for regularisation of Violation of Regulation 6 & 8 of (Substantial Acquisition of Shares & Takeover) Regulation 1997.

**(8) Jindal Saw Limited**

Contingent liabilities not provided for as on 30.09.2004 are in respect of:

Sr. No.	Particulars	Rs. in crores
a)	Counter Guarantee given to company's bankers for Guarantee given by them on behalf of the Company	229.35
b)	Letter of Credit Outstanding (net of liabilities provided in the books)	429.02
c)	Claims against the company not acknowledged as debt (being under dispute)	0.02
d)	Guarantees given to Bank for Credit facilities to Jindal Enterprises LLC (Wholly Owned Subsidiary Abroad)	58.16
e)	Disputed Excise Duty	-
f)	Liability in respect of Corporate Guarantee (for 100% EOU Unit at Mundra)	20.87
g)	Bank Guarantee given to Custom Authority for export obligation for export under EPCG Scheme	4.00

**Civil Matters**

Sr. No.	Case No.	Parties	Pending Before	Subject of the Matter	Amount (Rs.)	Facts
1.	Case No.264 of 2003	Jindal Saw Ltd. Vs. Gas Authority of India Ltd. (GAIL)	Delhi High Court	Appeal against Arbitration Award	Rs. 48 crores (approx.)	This case relates to the application of Price Reduction formula by GAIL pursuant to the delay in supply of pipes by Jindal Saw Ltd. The reduction of price is being disputed by Jindal Saw Ltd. The Arbitrators have passed Award in favour of Jindal Saw Ltd. and the same has been challenged by GAIL.



2.	-	M/s. Jindal Saw Ltd. Vs. Bharat Petroleum Corporation Ltd.	Arbitration	Penalty for delay in supplying pipes	Rs. 1.83 crores	This matter relates to the application of price reduction formula applied by BPCL pursuant to the delay in supply of pipes by Jindal Saw Ltd. The reduction of price has been disputed by Jindal Saw Ltd.
3.	Appeal No.100 2 of 2002	M/s. Jindal Saw Ltd. Vs. Oil and Natural Gas Corporation Ltd. (ONGC)	Bombay High Court	Appeal against the Award of the Arbitrator	1.12 crores	This case relates to the dispute relating to the applicability of foreign Exchange rates on payments made by ONGC to Jindal Saw Ltd. under a contract for supply of pipes. The Arbitrators have given the Award in favour of the Jindal Saw Ltd. ONGC has challenged the Award before the High Court.
4.	Arbitration Petition No.292 of 2003	M/s. Jindal Saw Ltd. Vs. Oil and Natural Gas Corporation Ltd. (ONGC)	Bombay High Court	-	US\$ 60224.58	This matter relates to the application of price reduction formula applied by ONGC pursuant to the delay in supply of pipes. The reduction of price has been disputed by Jindal Saw Ltd. The Arbitrators have passed Award in favour of the Jindal Saw Ltd. ONGC has challenged the Award before the High Court.
5.	Suit No.862 of 2002	M/s. Jindal Saw Ltd. Vs. SDJV, Bangladesh	Delhi High Court		US\$ 705698	SDJV, Bangladesh attempted to invoke the performance Bank Guarantee for USD 705698 issued by Canara Bank through Bank of Nova Scotia, Dhaka on false and frivolous grounds.

						The High Court has granted permanent injunction against Canara Bank. The Bank of Asia Ltd. which alleges to be the successor of Bank of Nova Scotia, Dhaka has filed an application against the injunction.
6.	Case No.178 of 1990	United India Insurance Company Ltd. Vs. CCI & Jindal Saw Ltd.	2 <sup>nd</sup> Additional District Judge at Vishakapatnam	No relief has been sought against the company		Jindal Saw Ltd. had supplied pipes to HPCL, which were transported by CCI under separate agreement with HPCL. During the course of transportation some damage was done to pipes. HPCL filed its insurance claim and got the money. Thereafter, United India Insurance has filed the case at Visakhapatnam for recovery of claim amount from CCI alleging their negligence in transporting the pipes. It has made JSL as party proforma as supplier of these pipes.
7.	Case No 209 of 2004 and Appeal No A-415 of 2003	Sidhanath Saxena Vs. Jindal Saw Ltd.  Govind Ram Agarwal Vs. Jindal Saw Ltd.	District Forum, Lucknow and State Commission, respectively			The Complainant has alleged deficiency of services in transferring the shares that were lodged by the Complainant for transfer. Jindal Saw Ltd. contends that all rules and regulations have been observed while transferring the shares and also that the Consumer Forum had no

						jurisdiction to try the matter.
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**Criminal Offences**

1.	Criminal Case No 416 of 2004	Gujarat Pollution Control Board Vs. Jindal Saw Ltd. & Ors	First Class Judicial Magistrate, Mundra	Environmental Pollution	The Pollution Board alleged that Jindal Saw Ltd. had undertaken substantial contraction of plant and blast furnace without obtaining prior environmental clearance. According to the Board this is in violation of the Environmental Impact Assessment Notification 1994. Jindal Saw Ltd. is disputing the above matter.
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**Other Indirect Taxes Matter**

1.	Assessing Authority Trade Tax Vs. Jindal Saw Ltd.	Deputy Commissioner (A) Kosi Kalan.	A.Y. 1997-98	Rs. 1,83,694	The Add. Commissioner has reopened this matter Under Section 21(2) of the U.P.T.T Act 1948 for escapement of Tax. Under a Notification an amount equal to 20% of Basic Value of own material consumed in execution of Work Contract is stipulated to be taxed.
2.	Assessing Authority Trade Tax Vs. Jindal Saw Ltd.	High Court, Allahabad	A.Y. 1991-92	Rs. 1,42,940	This case is in relation to the import of material from M/s P.J Pipes Mumbai without Form No.31 by Jindal Saw Ltd. for carrying out job work. The provisions of Section 15 A (1) (0) of the U.P.T.T Act 1948 are attracted which stipulates penalty up to 40% of value of material so imported. This Appeal has been filed by the Department against Jindal Saw Ltd.
3.	Assessing Authority Trade Tax Vs. Jindal Saw Ltd.	High Court Allahabad	A.Y. 1997-98	Rs. 5,66,906	The Assessing Authority imposed 10% tax on value of Company's own raw material consumed in execution of Works Contracts under Section 3-F (2) (b) (1) of U.P.T.T Act 1948.
4.	Assessing Authority Trade Tax Vs. Jindal Saw Ltd.	High Court Allahabad	A.Y. 1995-96	Rs. 3,11,600	This matter relates to the imposition of interest on tax deposited by Jindal Saw Ltd. on F.E. variation.

5.	Assessing Authority Trade Tax Vs. Jindal Saw Ltd.	Supreme Court of India			This matter relates to the applicability of Form 3 B and C. Jindal Saw Ltd. had purchased HSD (High Speed Diesel from Indian Oil Corporation Ltd) and this case relates to purchase of HSD against Form 3 B and C
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**(9) Colorado Trading Company Limited**

Contingent liabilities not provided for in respect of:

- Dividend receivable of Rs. 578,584 has not been acknowledged as debts in view of misappropriation of shares of the company.
- The company has lost the case of misappropriated shares for 600 equity shares of Jindal Strips Ltd. & 400 equity shares of Jindal Steel & Power Ltd for which the company had to write off the shares & pay dividend received by it of Rs.3,16,000.

**(10) Gagan Trading Company Limited**

Contingent liabilities not provided for as on March 31, 2004 include:

- Dividend on preference shares Rs. 2265.42 lacs.
- Disputed tax demands Rs. 1502.84 lacs.

Current Status of Tax Demands

Gagan Trading Company Ltd. Versus Comm. of Income Tax	ITAT, Mumbai for Hearing	Assessment Year 2000-01	592.08 lacs	Addition of notional interest on security deposits received while computing income from house property and disallowance of interest.
Gagan Trading Company Ltd. Versus Comm. of Income Tax	ITAT, Mumbai	Assessment Year 1998-99	567.40 lacs	Addition of notional interest on security deposit received while computing income from house property and the disallowance of interest. On appeal, the CIT (Appeals) has decided the matter relating to the addition of notional interest in favour of the company. However, the company is in the process of filing appeal to ITAT on the other issue of interest disallowance.
Gagan Trading Company Ltd. Versus Comm. Of Wealth Tax	ITAT, Mumbai has heard the Appeal and decided in favour of the Company.	Assessment Year 1997-98 and 1998-1999	Rs. 159.20 lacs and Rs. 184.16 lacs, respectively	Chargeability to Wealth Tax u/s 4 (8)(b) of the Wealth Tax Act of the property of the company. On appeal, the CWT (Appeals) upheld the Assessing Officer's contention. On further appeal, The ITAT, Mumbai has decided in favour of the Company.

		Assessment Year 2002-03	Rs.431.92 Lacs	Addition of notional interest on security deposit received while computing income from house property and the disallowance of interest. The Company is in the process of filing an appeal to the CIT (Appeals).
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### Current Status of Outstanding Litigation

Case No.	Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
Writ Petition No. 8090 of 2003	Gagan Trading Company Ltd. Versus Union of India, Director General of Foreign Trade (DGFT) and Comm. Of Customs	Delhi High Court and shall come up for hearing in due course	Customs duty on BMW Car imported in the year 2002	Nil	The Comm. of Customs issued a notice under Central Motor Vehicles Rule 126A for non-submission of homologation certificate. The petitioner filed this writ contending that the same was not required.

### (11) Sun Investments Pvt. Ltd.

Contingent liabilities not provided for as on 31-03-2004 related to Disputed Income Tax Demand of Rs.111 Lacs as detailed below :

Sr. No.	Assessment Year & Amount of Demand	Details & Current Status
1	1991-92 Rs.54.29 Lacs	The demand had arisen due to disallowance of set off of brought forward loss of earlier year. On appeal, the CIT (Appeals) upheld the Assessing officer's contention. The Company is in appeal to Income Tax Appellate Tribunal, which is yet to be decided.
2	1993-94 Rs.56.56 Lacs	The demand had arisen due to disallowance of loss on renunciation of Rights shares. The Company is in appeal to CIT (Appeals), which is yet to be decided.

### (12) Vrindavan Services Private Limited

- Contingent liability not provided for as on March 31, 2004 pertained to dividend on preference shares (pro-rata) amounting to Rs. 20.25 lacs.
- As on March 31, 2004, there was a default relating to interest on OCDs amounting to Rs. 20 lacs.

### (13) Reynold Traders Private Limited

**Income Tax Demands**

For Assessment Year 2000-01, a demand of Rs.30.14 Lacs has arisen due to levy of penalty u/s 271(1) (c) on addition made by the Assessing Officer due to disallowance of interest expenses claimed by the Company. The Company is in the process of filing an appeal to CIT(Appeals) against the order.

**(B) Promoter Group Companies****(1) Jindal Steel & Power Limited**

Contingent liabilities not provided for as on March 31, 2004 are in respect of :

<b>Sr. No.</b>	<b>Particulars</b>	<b>Rs. Crores</b>
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	459.38
b)	Guarantee's issued by the Company's bankers on behalf of the Company	14.02
c)	Letter of credit opened by banks	208.58
d)	Disputed Excise duty and other demands	7.20
e)	Future liability on account of lease rent for unexpired period	5.76
f)	Bonds executed for machinery imports under EPCG Scheme.	36.28

**Sales Tax Matters:**

<b>Sr No</b>	<b>Parties</b>	<b>Pending Before</b>	<b>Subject of the Matter</b>	<b>Amount Involved (Rs.)</b>	<b>Facts</b>
1.	State Sales Tax Dept. Vs. Jindal Steel and Power Ltd.	Board of Revenue	Denial of benefits for New/Addl. Products produced	Rs. 4,58,340 for the A.Y. 1997-98	The Company has been denied benefits on its new/additional products manufactured by it. The Company has already deposited a sum of Rs. 46,000/- against the amount demanded. By an Order dated April 29, 2000 the Dept. has passed an Order in the favour of the company.
2.	State Sales Tax Dept. Vs. Jindal Steel and Power Ltd.	Board of Revenue	Denial of benefits for New/Addl. Products produced	Rs. 6,20,946 for the A.Y. 1998-99	The company has been denied benefits on its new/additional products manufactured by it. The company has already deposited a sum of Rs. 1,75,000 against the amount demanded.
3.	State Sales Tax Dept. Vs. Jindal Steel and Power Ltd.	Board of Revenue	Surcharge imposed and less set-off allowed	Rs. 82,396/- for the A.Y. 2000-2001	The company has already deposited a sum of Rs. 42,000/- against the amount demanded.

**Central Excise Matters**

Sr No	Case No.	Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
1.	Writ Petition	Jindal Steel and Power Ltd. Vs. Comm. of Central Excise	High Court, Chattisgarh	Payment of Duty	1.55 crores	The Dept. has imposed a duty of on two (2) Induction Furnaces for the period April 1, 1998 to March 31, 2000. The matter had been appealed in the CESTAT by the company against the Order passed by the Comm. The company has paid an amount of Rs. 1.00 crores under protest.
2.	V(CH-86)15-264/R/P R/JC/2004/ADJ/5188	Comm. of Central Excise Vs. Jindal Steel and Power Ltd.	Jt. Comm., Raipur	Classification for imposition of duty	7.45 lacs	The Department has imposed duty on Ladle Transfer Car by treating it as an item falling under heading 86 instead of 84. The company has already deposited the amount.

**Other Excise Matters**

Case Ref.	Amount (Rs)	Pending Before	Description of the Case	Present Status
1993	179,400	Asst Commissioner Excise	To the department, the modvat document does not appear to be genuine.	Replied on 4/7/96 – No PH
2300	37,679	Asst Commissioner Excise	Modvat credit on capital goods.	PH over on 20/2/2001.
1287	241,772	Asst Commissioner Excise	Cenvat Credit on capital goods relating to power plant installed within the factory.	Replied on 14.7.03 ** PH 5.11.03
9053	381,874	Asst Commissioner Excise	A case of difference of book stock and physical stock taken by the department.	Reply sent ON 29.9.03
2661	483,697	Asst Commissioner Excise	Cenvat Credit on capital goods relating to power plant installed within the factory	Replied on 11.10.03 **PH 25.11.03
1658	3,177,697	Asst Commissioner Excise	This case relates to service tax on GTO service 01.02.1998 to .1.06.1998 after the Finance Act amendment in 2003.	Reply sent 17.7*27.12*Adjourn 28.12
3949	1,220,012	Asst Commissioner	Service tax on the services of M/s NKK Corporation Japan	Reply Sent 27.12.04*ph 18.03.05

		Excise	that we have taken in Japan itself (off shore service).	
4558	473,593	Asst Commissioner Excise	Service tax on Engineering Study (Audit) by an Engineering Company of Germany.	reply sent on 28.2.05*ph 18.3.05
492	4,042,702	Add. Commissioner Excise	Service tax on GTO service for 1.2.98 to 1.6.98. We have also filed a writ petition before High Court.	Replied 22.9.01 * WRIT HC BSP
20755	2,297,417	Add. Commissioner Excise	Cenvat credit on Hot metal transport vehicle, Jumbo Electric Platform truck as inputs and Ladle transfer car as capital goods.	Reply sent on 1.4.04
3955	15,96,000	Add. Commissioner Excise	Department proposes to include the amount of volume discount on freight availed from Indian Railways in the assessable.	Reply sent on 30.4.04
4169	4,002,832	Add. Commissioner Excise	Cenvat credit as inputs on rails and concrete sleepers and allied goods used in the factory	Reply sent on 20.5.2004
21164	4,131,451	Add. Commissioner Excise	This relates to demand of duty on some old and used goods from factory to Nalwa Sponge.	Replied on 10.11.04
23446	717,259	Add. Commissioner Excise	Cenvat credit as inputs on concrete sleepers and allied goods used for laying railway track in the factory.	Reply sent - 31.03.05
1489	2,527,644	Add. Commissioner Excise	Cenvat on explosive used in coalmine. This is to be reversed.	Replied - 10.12.04
1005	27,756	Appealate Tribunal Raipur	This case refers to deficiency in the document of the supplier of the goods, M/s HPCL.	OIO Received – full Disallow –Appl to be filed
1077	43,058	High Court Bilaspur	Department has filed a petition before High Court against order of CEGAT, which stands in our favour.	Dept – Appeal – HC – PH 4.7.02-NOT HELD
1303	1,037,606	High Court Bilaspur	CEGAT allowed modvat credit on refractory materials to us. The matter has been referred to High Court.	DEPT. Ref APPL – High Court
19103	346,840	Chief Commissioner Excise	Sponge iron burnt in the year 2000. Remission of duty denied by Commissioner.	CEGAT Remand to CCE - PH held 22.2.02
2187	6,726,061	Chief Commissioner Excise	Cenvat credit taken on Graphite Electrode as inputs. Dept disputes that this item would be capital goods	Reply sent on 11.8.03



953	3,511,104	Appealate Tribunal Delhi	Classification of steel components/accessories (Chapter 84 vs Chapter 73) fabricated within the factory for captive use.	DEPT APPL*PH 09.03.05*29.4.05
3081	3,011,938	Appealate Tribunal Delhi	Cenvat on explosive used in coal mine. Departmental appeal pending in CESTAT. This is to be reversed.	DEPT APPEAL ** PH 5.1.05 *4.4.05
4576	592,323	Joint Commissioner Excise	Dispute relates to modvat credit on capital goods.	PRE-OBJ.-20/9/94-NO PH-
2623	981,745	Joint Commissioner Excise	Cenvat credit taken on Graphite Electrode as inputs. Dept disputes that this item would be capital goods	Reply sent- PH held 17/7/02

**Notes: -**

- 1) There are some Entry Tax matters filed against the company, which in aggregate amount to a demand of Rs. 8.74 lacs (approx.) against which the company has already deposited an amount of Rs. 1.39 lacs (approx.).
- 2) There are Central Sales Tax matters pertaining to A.Y. 1999-2000, A.Y. 2000-2001 and A.Y. 2002-03 against the company for imposition of interest and penalty arising due to change of name of the company and non-submission of E-1 certificate respectively. The aggregate amount demanded is Rs. 3.13 lacs (approx.) against which the company has already deposited an amount of Rs. 0.32 lacs (approx.).
- 3) The Gram Panchayat has served a notice upon the company imposing Local Body Tax of Rs. 66,319. The company is disputing the levy.
- 4) The company has been served with two (2) Show Cause Notices from the Commissioner of Central Excise, Raipur for an amount of Rs. 7.50 lacs (approx.) pertaining to transfer of CENVAT credit for JSL to JSPL and classification of goods under an input chapter different from the one declared by the company.

**(2) Jindal Stainless Limited**

Contingent liabilities not provided for as on 31.03.2004 are in respect of :

Sr. No.	Particulars	Rs. in Crores
a)	Counter guarantee given to the company's bankers for the guarantee given by them on behalf of the company	34.93
b)	Letter of Credit outstanding (net of liability provided for in the books)	254.21
c)	Bill/cheques purchased / discounted by bank under BP/BD limit	127.06
d)	Claims and other liabilities against the company not acknowledged as debt	5.26
e)	Sales Tax against which company has preferred appeals	3.79
f)	Disputed Excise Duty	5.31

**Civil Matters:**

Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
Jindal Stainless Ltd. V/s. ICICI Bank KBC Bank N. V. New York Branch And Surya Impex.	High Court, New Delhi	Suit dismissed as infructuous. Jindal Stainless filed an Appeal in the Delhi High Court challenging the order of dismissal of the suit.	Potential liability of USD 4,48,500/- alongwith interest.	Upon instructions of Jindal Stainless Ltd, ICICI Bank opened letter of Credit of US\$4,48,500/- in favour of Surya Impex. KBC Bank N. V. was the negotiating Bank. KBC Bank N. V. negotiated the Letter of Credit on the basis of forged and fabricated documents and inspite of requests from Jindal Stainless released payment to the holder in due course. Jindal Stainless Ltd. filed the present suit for declaration that it is not liable to pay any amount under the L/C and also for a Permanent Injunction restraining ICICI Bank from making payment of the L/C amount to KBC Bank N.V.
Haryana Vidyut Prasaran Nigam Limited (HVPNL) Vs Jindal Stainless Ltd.	Civil Court, Hisar	LAND	15,00,000/-	Jindal Stainless Ltd. had acquired 2.5 Acres of land from HVPNL which is situated between its two factories. However, subsequently, HVPNL cancelled the allotment. Jindal Stainless Ltd. filed a suit for specific performance and obtained a decree in its favour. HVPNL has filed this Appeal.
Municipal Corporation (Hisar) Vs Jindal Stainless Ltd.	Civil Court, Hisar for Hearing	Development Charges		The Municipal Corporation, Hisar had made a demand for development charges in respect of a club constructed by Jindal Stainless Ltd. in its factory premises @ Rs. 120/- per sq. yd. Jindal Stainless has disputed its liability and has filed this suit for declaration and an injunction restraining the Municipal Corporation from raising the demand for development. An Interim Order has been passed in favour of Jindal Stainless and the Municipal Corporation has filed an Appeal challenging the above interim order which is pending in the Court.

#### Excise and Service Tax Matters

1.	Writ Petition No.606 of 2002	Jindal Stainless Ltd. Vs. Union of India & ors.	Supreme Court of India	Service Tax - For the period 16.11.1997 to 1.6.1998	Rs. 49,71,163	The Excise Department has levied Service Tax @ 5% on Rs. 9,44,23,259/- on account of the services provided by goods transport operators i.e. on account of the freight paid for the
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Information Memorandum

						<p>period from 16.11.1997 to 1.6.1998.</p> <p>The company has disputed its liability on the ground that the incidence and liability of such tax rests on the person providing taxable service and also that the demand was raised retrospectively by the Department.</p> <p>The company has paid the amount of Rs. 49,71,163/- under protest.</p>
2.	A/380-387/2001 – NB(D) (Eight Appeals) (Northern Bench)	Commissioner of Central Excise Vs. Jindal Stainless Ltd.	Before Central Excise, Commissioner, Rohtak for Hearing	For the period September, November and December, 1994 January, 1995 to May, 1995 June, 1996 to March, 1996.	Rs. 57,14,188 (in all Eight Appeals)	<p>The Department has levied Modvat Credit on capital goods namely electrical goods, electric items, Refractory items etc.</p> <p>CESTAT has by its order remanded all the eight matters back to the adjudicating authority for reconsideration of the entire matter in view of latest judgment of Supreme Court in Jawahar Mill's case.</p>
3.	Appeal/Delhi – III/45/2001	Central Excise Commissioner Vs. Jindal Stainless Ltd.	Commissioner (Appeals), Gurgaon	Modvat Credit on capital goods For the period April, 1996 to July, 1996	Rs. 49,05,998	<p>The Department has levied Modvat Credit on capital goods namely Electrical and Machinery items and issued a Show Cause dated October 23, 1996.</p> <p>The company replied to the Show Cause Notice and Asst. Commissioner decided the case in favour of the Company.</p> <p>Being aggrieved, the Department</p>

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						filed Appeal before Commissioner (A) and the same is pending.
4.	-	Central Excise Commissioner Vs. Jindal Stainless Ltd.	High Court, Delhi	Modvat Credit	Rs. 21,69,000/-	The Department has levied Modvat Credit on capital goods namely Wires and Cables. The Company filed a Reference Application before the High Court against the order of CESTAT on Capital goods namely: Brass Casting Articles. High Court directed CESTAT to refer whether brass casting articles come within the ambit of definition of capital goods under Rule 57Q of the Central Excise Rules, 1944 for its opinion vide an Order dated November 9, 2000.
5.	-	Central Excise Commissioner Vs. Jindal Stainless Ltd.	Commissioner (Appeal), Gurgaon		Rs. 19,33,000/-	The Department has levied Modvat Credit on capital goods namely Refractories and Refractory items. The case was held against the Department and subsequently the Dept. filed an Appeal before the Commissioner (A) and the same is pending.
6.	-	Show Cause Notice C. No. IV (HQ)361/Tech/Jindal/D-V/04/14357 dated 28.12.2004 issued by Commissioner of Central Excise, Rohtak	Commissioner of Central Excise, Rohtak	Modvat/Cenvat credit For the period January, 2004 to June, 2004	Rs. 78,06,003/-	The company had entered into agreement with State Electricity Board (SEB) for supplying power generated by it to the SEB Grid and also for self-consumption. The Department has alleged that the company is supplying power

						only to SEB and therefore not entitled for Modvat/Cenvat credit of the duty paid on the fuel used for generation of power for self-consumption. The company is contending that the agreement was entered into to ensure that the power generated was put to the optimum use and therefore allowed to claim modvat credit
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**(3) Manjula Finances Limited**

Contingent liability not provided for : Arrear of Preference Shares Dividend Rs. 12,81,748.

Non-payment of dues is as follows: -

Name of the Statue	Nature of the dues	Amount	Forum where dispute is pending
Income tax Act, 1961	Income tax demand	10,58,869	ITAT, New Delhi

**(4) Renuka Financial Services Limited**

Non-payment of dues is as follows: -

Name of the Statue	Nature of the dues	Amount (Rs)	Forum where dispute is pending
Income tax Act, 1961	Income tax demand	80,161	CIT (Appeals), New Delhi

**(5) Jindal Seamless Tubes Limited**

Contingent liabilities not provided in respect of Show Cause Notice issued by Central Excise Department for raising a Demand Draft of Rs. 3,45,636/-.

**(6) Brahmputra Capital And Financial Services Limited**

Non-payment of dues is as follows: -

Name of the Statue	Nature of the dues	Amount	Forum where dispute is pending
Income tax Act, 1961	Income Tax Demand	1,23,719/-	ITAT, New Delhi

**(7) Gagan Sponge Iron Private Limited**

Contingent liability not provided for : Arrears of Cumulative Preference Shares dividend Rs. 10,085,915/- (Previous Year 24,15,220)

**(8) Opellina Finance & Investment Pvt. Ltd.**

Contingent liability not provided for : Arrears on fixed Cumulative Dividend on preference shares Rs. 1,15,55,750/- (Previous Year 28,71,032/-)

**(9) Baltimore Trading Private Limited**

- Contingent liabilities not provided as on June 30, 2004 related to disputed Income Tax demand for Rs. 41.22 lacs. The demand has arisen on account of add back of interest payable amounting to Rs. 81.70 lacs, which the Assessing Officer had treated as no longer payable. On appeal, the CIT (Appeal) has deleted the addition and the matter stands decided in the Company's favour.
- For Assessment Year 2002-03, a demand of Rs.3.43 lacs has arisen due to recomputation of Capital Gains considering a higher sale value by the Assessing officer. The Company has filed an appeal to CIT(Appeals) against the order.

**(10) Kamshet Investments Private Limited**

**Income Tax Demands**

For Assessment Year 2002-03, a demand of Rs.23.15 Lacs has arisen due to recomputation of Capital Gains considering a lower purchase cost by the Assessing officer. The Company has filed an appeal to CIT (Appeals) against the order.

**(11) Musuko Trading Private Limited (MTPL)**

- Contingent liabilities not provided as on June 30, 2004 relate to Income tax demand disputed in appeal pertaining to assessment year for Rs. 1.32 lacs. The demand has arisen on account of interest disallowance by the assessing officer. On appeal, the CIT (Appeals) has upheld the disallowance. The Company is in appeal to ITAT and the matter is pending.

**(12) Naman Enterprises Private Limited**

Contingent liabilities not provided for as on 31-3-2004 comprised of dividend on Cumulative Preference Shares amounting to Rs. 197.92 lacs.

**(13) Sapphire Technologies Limited**

**Income tax Demands**

For Assessment Year 2002-03, a demand of Rs.3.62 Lacs has arisen due to disallowance of Website Development expenses incurred by the Company. The Company is in the process of filing an appeal to CIT (Appeals) against the order.

**(14) Jindal Thermal Power Company Limited**

Contingent liabilities not provided for as on March 31, 2004

1. Security provided to Banks/Financial Institutions by way of pledge of shares of Jindal Vijayanagar Steel Limited (JVSL) against credit facilities extended to JVSL for Rs. 10890.30 lakhs. Similarly, JVSL has provided security in favour of the Company's lenders by way of pledge of their investments in the shares of the Company for Rs. 14449.95 lakhs.
2. Claim by a Financial Institution against the Company disputed by the Company (Power Finance Corporation Limited) on the ground that the same is not due in terms of the loan documents and not acknowledged as debt of Rs. 573.23 lakhs, net of Rs. 24.72 lakhs claimed by the Company towards rebate for prompt payment on another loan from the same Financial Institution.

**Outstanding Litigation**

Sr. No.	Case No.	Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
1		Karnataka Electricity Regulatory Commission (KERC) Versus Jindal Thermal Power Company Limited & Ors. (JTPCL)	Supreme Court of India for Admission	Modification of Power Purchase Agreement (PPA)	Nil	The Govt. of Karnataka had granted permission to JTPCL for selling power directly to industrial units and the balance to KPTCL. JTPCL entered into a Power Purchase Agreement with KPTCL in November, 2000 for supply of power. Pursuant to Karnataka Electricity Reforms Act, 1999, Karnataka Electricity Regulatory Commission (KERC) came into existence KERC reduced the contractual rate for supply of electricity and also held that JTPCL was a Captive Power Plant and not an Independent Power Plant. JTPCL filed an

Sr. No.	Case No.	Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
						appeal against this order before the Karnataka High Court, which set aside the order passed by KERC. KPTCL has filed this appeal before the Supreme Court against the Order of the Karnataka High Court.
<b>Tax Matters</b>						
2.		Jindal Thermal Power Company Limited (JTPCL) Versus The Deputy Comm. of Income Tax & Anr.	Karnataka High Court, Bangalore for Arguments	For the Assessment Year 2001-02 & 2002-03	0.71 crores i.e. the Net Tax Liability (after adjusting refunds and payments)	The Tax Dept. levied interest u/s 234B and 234C of the Income tax Act. JPTCL has filed this writ petition against the levy of interest as also the validity of the retrospective operation of the amendment carried out to section 115JB of the Income Tax Act. An interim stay has been granted in favour of JTPCL upon depositing Rs. 55 lacs with the Court.

**(15) Jindal Vijayanagar Steel Limited**

Contingent liabilities not provided for as on March 31, 2005:

Sr. No.	Particulars	Rs. in crores
1.	Claims against the Company not acknowledged as debts	5.81
2.	Bills discounted	487.01
3.	Disputed claims including those pending in Courts for excise & custom duties, sales tax, income tax and other levies (excluding interest)	149.84

**Labour Cases**

There are six (6) labour related matters against JVSL for issues such as dismissal from employment, accident at the COREX-I site in July 2002 and compensation claims aggregating to Rs. 4.7 lacs.



**Provident Fund cases**

There are 10 (Ten) matters pending before various provident fund authorities/court regarding payment of provident fund contributions by JVSL pertaining to contract employees amounting to Rs. 30.27 lacs.

**Civil & Other Cases**

Case No.	Parties	Pending before	Subject	Amt.	Status
LAC No. 16 / 2000 @ 91 / 2002	Uppara Hanumanthappa & another Vs Asst. Commr & LAO, Bly & JVSL	Addl. Civil Judge (Sr.Dvn) & CJM, Bellary	Parties have awarded enhanced compensation by the court	200000	The parties have gone on appeal for enchancement of compensation against the land acquisition-Trial going on.
LAC No. 17 / 2000 @ 92 / 2002	Gavisiddana Gouda Vs Asst. Commr & LAO, Bly & JVSL	Addl. Civil Judge (Sr.Dvn) & CJM, Bellary	Parties have awarded enhanced compensation by the court	200000	The parties have gone on appeal for enchancement of compensation against the land acquisition-Trial going on.
C.R.P.Nos. 3109/2002, 3110/2002, 3111/2002	JVSL Vs Smt.Gouramma / Shri.Bheeman Gouda and Sri.J.Shankar Reddy	High Court of Karnataka	Civil Revision Petition filed against the Decree passed by Bellary Court regarding Tamarind Tree Compensation.	300000	The petitioners have filed a case for compensation for the tamarind trees, which were their during the acquisition of land-Trial going on.
O.S.4/2005	Smt. Rudramma, Yarabanahalli Vs The General Manager (A&LA), Jindal Vijayanagar Steel Ltd. RoranagalluL	Civil Judge (Jr.Dvn) & JMFC, Sandur	The plaintiff is claiming 100% ex-gratia (i.e. Rs. 2,10,000) to herself, as we have paid the ex-gratia to Shri. K. Hosagerappa of Kudithini based on the orders of Asst.Commr, Bellary.	210000	Since there was a dispute between the parties, we have paid the ex-gratia as per the orders of Asst. Commr., Bellary who is the Revenue Authority.The Trial has Commenced in the court.
Original application No.190/03	SBI & others VS Bellary Steels & Alloys Ltd & others in which JVSL is one of the respondents.	Debt Recvery Tribunal, Bangalore	Recovery of loan with interest	3006000+ interest	The matter has been filed by banks seeking various sums from Bellary steel and others. JVSL is a debtor of Bellary Steel and has been served with a garnishee notice for an amount of Rs. 30.60 lacs.
Writ Petition 10713/2004	Bellary Steels & Alloys Ltd Vs IT Dept. JVSL is one of the respondents	High Court of Karnataka for hearing	Reopening of Assessment by the Department	2.17 crores	Bellary Steel has filed the Writ Petition to Stay Income Tax Department Notice reopening the assessment for the Assessment Year 1997-98

					and claiming Rs. 2.17 crores The High Court has granted stay against the notice of the IT Dept.
Civil Suit No. 538 of 1999, G.A. No. 1880 of 2000	Mewar Growth Ltd. & Ors. Vs. JVSL	Calcutta High Court for reinstatement of the suit earlier withdrawn	Shares	5.90 crores (approx.)	The Plaintiff has filed this suit for a declaration by the court that they are the rightful owners of some shares of a banking company and that any transfers thereof were null and void. The Plaintiff thereafter withdrew the suit in 1999. The Plaintiff has in 2002 made an application for reinstatement of the suit.
--	David James & Sons Vs. JVSL	London Court of International Arbitration for filing Pleadings	Demurrage Charges	\$ 57,311.45 (for dispatch earned & interest) and \$ 118,450 (for cost and interest for demurrage)	The Claimant was required to supply certain quantity of limestone to JVSL under a contract. On receipt of the consignments, the limestone was found to be of a different size than the one desired by JVSL. Due to the variance in the size of the limestone, the calcinations process in the lime calcinations plant was not to expected level. The Claimant has filed this matter for the demurrage for the delivery of the limestone at the Goa Port.

#### Other Ex-gratia matters/cases

List of ex-land owners to whom the payment of ex-gratia is to be made.

No.	Village	Name of the Ex-land owner	Amt.	Remarks
1 C(p), 7B(p),	Vaddu	Dodda Thimmana Gouda, Sanna Thimmana Gouda	34800	Ex-gratia to be paid by the co.- family dispute not received.
323 C / 1	Kurekuppa	Chikka Basappa, Toranagallu	60000	Ex-gratia to be paid by the co.- family dispute not received.
361 D(p), 365 E	Kurekuppa	K.Devanna	8350	Ex-gratia to be paid - Claimant expired.

#### Criminal Cases

Sr. No.	Case No.	Parties	Pending Before	Subject Matter	Amount Involved (Rs.)	Facts
1.	W.P. NO. 3352 / 2002	JVSL Vs Dy. S.P, Bellary	High Court of Karnataka, Bangalore	Corex Accident	Nil	The Dy. S.P. Bellary has initiated criminal

Sr. No.	Case No.	Parties	Pending Before	Subject Matter	Amount Involved (Rs.)	Facts
						proceedings before the JMFC Court against JVSL officials in connection with the Corex Accident which had occurred at the factory site. Stay Order has been obtained by JVSL thereby prohibiting the Court from proceeding any further in the matter.
2.	C. R. M. P. No 700/03	JVSL Vs The State by Sub-Inspector of Police, Toranagallu	High Court of Karnataka for Trial	Discrimination under SC-ST Atrocities Act	Nil	The Police have registered a case against the Jt. MD & CEO and the GM (A&LA) of JVSL under SC-ST Atrocities Act, based on the Complaint filed by one employee Mr. V.K. Basappa who was an employee but was later dismissed by JVSL.
3.	CRLP No. 38526/2003	Mr. G.K. Saini, JVSL Vs The Sub-Inspector of Police, Toranagallu	High Court of Karnataka	Lorry Accident	Nil	A Stay Order has been obtained by JVSL against the Sub-inspector of Police, Toranagallu thereby prohibiting the Police from further investigating the matter in Lorry accident matter which happened near the RM gate wagon un-loading area in which 2 workers had lost their life.

**Customs & Excise (Upstream SBU):**

The status of the various show cause notices / demands material in nature issued by the Central Excise and Customs Authorities is as follows: -

Sl. No.	Details	Value (Rs. in Lakhs)	Status
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1.	Show cause notices for demand of excise duty on sale of Corex gas supply to JTPCL / JPOCL.	4851.99	Appeals pending before the CESTAT / Commissioner (Appeals), Bangalore. <ul style="list-style-type: none"> <li>• SCN-I : Order is awaited</li> <li>• SCN-IV: Order is awaited</li> <li>• SCNs-V &amp; VI: Final hearing is scheduled on 20.4.05</li> <li>• SCNs-VII, VIII &amp; IX: Order is awaited</li> <li>• SCN-X not yet issued by the dept.</li> </ul>
2.	Input credit on Highgrade pellets.	47.37	The Tribunal has already stayed the order passed by the lower authority. The final hearing was held on 04.04.05. Order is awaited.
3.	Input credit on Corex chilling:	62.18	The Tribunal has already stayed the order passed by the lower authority. The final hearing is scheduled on 19.5.05.
4.	Duty on interest free advance of Rs.150 Crore received by JVSL from JISCO.	908.00	The Tribunal has already stayed the order passed by the lower authority. The final hearing is scheduled on 11.04.05.
5.	DRI Case – II – Demand of additional customs duty on warehoused goods.	10.00	Appeal before the High Court of Karnataka has been filed. PH is awaited in May'05.
6.	Met-coke import: CG given for Anti Dumping Duty (ADD)	4920.00	Pending before the Supreme Court of India.
7.	Levy of differential duty on scrap: Goa Customs: Rs.740.00 Lakhs Chennai Customs: Rs.363.00 Lakhs	1103.00	Based on the order passed by the Commissioner (Appeals), our Stay-cum-appeal has been filed before the CESTAT, Bangalore. PH is awaited.  Final reply submitted. Response is awaited from Chennai Customs.
8.	Demand of additional interest charges on warehoused goods	23.90	The Tribunal has already stayed the order passed by the lower authority. The final hearing is scheduled on 19.5.05.
9.	Demand of duty on refractories and lock hoppers of Corex-I.	104.40	The Tribunal has already stayed the order passed by the lower authority. The final hearing will be held on 27.5.05.

**Customs & Excise (Down Stream SBU):**

The status of various show cause notices / demands, material in nature, issued by the Central Excise and Customs Authorities :

Sl. No.	Details	Amt. (Rs in Lakhs)	Status
1.	Withdrawal of DEPB Benefit on account of difference between the declaration in shipping bill and physical examination of goods.	0.75	Reply to show cause notice filed – Pending for hearing.
2.	Disallowance of Cenvat credit availed in respect of furnace oil used in captive power generation.	47.89	Rs.20.30 lacs have been debited under protest. Appeal pending for hearing before Tribunal.
3.	Valuation of inter unit transfer of CR FH Coil @ 115% of cost of production instead of at comparative price	18.89 10.00	Appeal pending for hearing before the Appellate Tribunal. Appeal pending for hearing before the Commissioner (Appeals).
4.	Duty demanded on sample drawn for in-house quality test	0.23	Reply to show cause notice filed – Nothing further has been heard.
5.	Cenvat credit availed on capital goods	2.79	Amount debited under protest. Appeal pending for hearing before the Appellate Tribunal.
6.	Duty demanded on interest charged in invoice	85.36	Reply to show cause notice filed – Pending for hearing before the jurisdictional commissioner.
7.	Imposition of penalty under Rule 209A of the Central Excise Rules, 1944	50.00	Appeal pending for final hearing before the Appellate Tribunal.

**Sales Tax & Entry Tax (Upstream SBU):**

Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
Comm. of CST Vs JVSL	Commercial Tax Authority	Late submission of Form "C" and Form "F" with the Department	1.78 lacs	A demand was raised by the CST Dept. on account of not furnishing Form C and Form F. The Forms have now been submitted and a revised order is expected.

There are no cases pending in respect of Sales tax & Entry tax for the period ended 31.03.2005. Further, contingent liability of Rs.269 lacs (approx) is provided on account of new levy imposed by Karnataka Government w.e.f. 01.10.04 under Special Entry Tax Act-2004, for which the Company obtained stay from the High Court of Karnataka.

**Sales Tax (Down Stream SBU):**

Sr. No.	Description	Amt. (Rs in Lakhs)	Status
1.	Sales tax liability on account of non-submission of Form F in respect of branch transfer.	1.23	Appeal pending for hearing before the Assistant Commissioner of Sales-tax (Appeals).

**Income Tax (Up Stream SBU):**

Sr. No.	Description	Usance Interest in Rs.	Status
1.	Notice of penalty u/s 202(1) r.w.s. 201(1A) for demand of withholding tax on usance interest received from income tax department	6,97,618	The demand made by Dept. is in respect of usance interest paid through ICICI on usance LC. Payment made other Bank called by Dept. JVSL has replied penalty notice denying the liability relying on High court and Tribunal decisions. Recently the tribunal decision has been reversed by High court.
2	Appeal to Karnataka High Court against order of Income Tax Appellate Tribunal for Assessment Year 1995-96. The Tribunal has allowed, based on facts, Company appeal for assessment of interest under the head Business Income as against Other Sources.	10,99,50,775	The Income Tax Department has filed an appeal before Karnataka High Court against order of Income Tax Appellate Tribunal. The High Court may not frame a question for reference, as there is no question of law is involved.

**Income Tax (Down Stream SBU):**

Sl. No.	Description	Amt. (Rs in Lakhs)	Status
1.	Additions / Disallowances made in the assessment orders passed u/s 143(3) to Normal Income in respect of Surplus on repurchase of own debentures, reduction of depreciation as per Income-tax on slump sale, interest & other expenses capitalised in books, unutilised modvat credit, interest receivable written-off, interest disallowed u/s 14A and additions made to Book Profit in respect of provision for doubtful debts and advances, amount transferred to lease equalisation, provision for diminution in value of investments etc.	1891.42	Appeals pending for hearing before the Commissioner of Income-tax (Appeals) / Appellate Tribunal.
2.	Penalty levied u/s 271(1)(c) in respect of addition made in the assessment order passed u/s 143(3).	134.41	Appeal being filed before the Commissioner of Income-tax (Appeals).
3.	Addition made to net wealth on the basis of the insured value of Air-craft as per order passed u/s 16(3) of Wealth-tax Act.	10.96	Appeal being filed before the Commissioner of Income-tax (Appeals)
	<b>Total</b>	<b>2036.79</b>	

**Service Tax (Up Stream SBU):**

Sr. No.	Details	Value in Rs.	Status
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1.	Service Tax Authorities have demanded service tax on consultancy services rendered by foreign parties namely; VAI, Austria (Rs.71216321), Amet Ltd., Russia (Rs.975261) and Alsthom Power, USA (Rs.2089786) during implementation of the project.	7,42,81,368	Replies to the notices have been submitted by the advocates on behalf of foreign parties. Based on the orders passed by the AC, C.Ex., Bellary appeals have been filed before the Commissioner (Appeals), Mangalore in respect of VAI & Amet. The hearing has been completed on 17.1.2005 at Mangalore and order is expected. In the case of Alsthom Power, the hearing is completed on 24.1.2005 at C.Ex., Bellary and the order is expected at any time. The remaining eight notices have already been decided in favour of JVSL.
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#### **Penalty imposed by SEBI/Other Regulatory bodies**

- Fine and penalty of Rs. 758.19 lacs imposed by the Custom Authorities in FY 1997-98 for wrong removal of imported equipments from the bonded warehouse.
- Penalty of Rs. 1.27 lacs levied by BSE in FY 1998-99 for belated intimation of Book Closure dates.
- Penalty of Rs. 500 by Excise Authorities in FY 2003-04 for wrong claim of CENVAT.

#### **(16) Jindal Steel & Alloys Limited**

Outstanding Litigations:

#### **Excise Matters**

##### **Dispute on demand of duty on Interest charged in Invoice raised by JISCO: Rs 21.34 lacs.**

Show cause notice has been received for duty demand on Interest charged in Invoice raised. The Department wants to include the interest charged in invoice in Assessable value and as consequence of this demanded duty on interest charged in invoice. As against this Company's argument is that the interest charged in invoice is refunded to customers on timely payment of invoice amount and thus should not be included in assessable value for the purpose of calculation of Excise Duty. The Final hearing is awaited.

##### **Bank Guarantee provided to Excise Dept - Rs 2.50 lacs;**

For provisional assessment of consignment sales made, the final assessment is still pending.

#### **Custom Matters**

Custom Duty – Custom dept. has given show cause notice for payment of duty of Rs. 37.21 Lacs plus penalty of Rs 37 lacs. : JSAL supplied some steel strips to some companies for further export. JSAL removed goods under Form AR- 4A and declared that it has not availed input stage credit. JSAL imported the consignment duty free under a notification. The Customs Dept issued a show a show cause notice upon JSAL stating that the benefit of the notification was not available

and demanded the payment of duty along with penalty. A stay application has been filed by JSAL against the show cause notice.

**Income Tax Matters**

Rs. 1352972 was paid to the Income Tax Department on basis of Assesment completed for A.Y. 2001-02; the Company has filed an Appeal against the Assesment Order.

**Civil Matters - Rs. 0.60 lacs**

An ex- employee Mr. Sanjay Sharma who was sacked for irregularities in his workings has filled a suit against the Company for his reinstatement as an employee.

**Other litigations**

The Special Director Enforcement has imposed a penalty of Rs.44 Lacs for non-production of documentary evidence showing import of goods against remittance of Rs 4467512 under Sec 8(3) of FEMA. An amount equal to 10% i.e. Rs 440000 has been deposited on 5/10/2004.

**(17) Southern Iron And Steel Company Limited (SISCOL)**

As on December 31, 2004, the Company had the following contingent liabilities:

- i. A sum of Rs. 4,19,36,093 which the Customs Department has asked the Company to pay is payable contingent upon the bill of entry, which has been filed being rejected. If the bill of entry, which has already been filed, is accepted, the duty amount of Rs. 3,07,65,945 which has already been paid will also be refundable. However, no credit has been taken for this refund, which may become due to the Company.

As against the demand for customs duty of Rs. 3,07,65,944 and interest of Rs. 4,19,36,093 from the Customs Department, the Company has paid the entire duty amount of Rs. 3,07,65,944 and has claimed refund of the amount on the ground that duty is not payable on the drawing portion of the goods kept under bonded warehouse and has accordingly not paid any interest. The matter is pending before the Divisional Office of Central Excise.

- ii. The Customs Department issued a show cause notice on the Company for the following:

- a) Customs duty on excess quantity of Coke received: Rs. 67,05,311
- b) Differential duty: Rs. 1,82,68,557
- c) Special Additional Duty: Rs. 31,46,950

No provision has been made for these amounts in this account. The Company has replied to the show cause notice and has also represented at the time of hearing. However, due to non-receipt of official order, the same has been reflected as a contingent liability.

The Company has subsequently received an adjudication order from the Commissioner of Customs demanding interest of Rs. 67,340 and penalty and fines of Rs. 35,00,000. The outstanding amounts have since been paid and with this the above show cause notice has been settled.

**Litigation, Disputes etc.**



- The Company had received a letter dated January 24, 2004 from the Superintendent Engineer, Mettur Electricity District Circle, Mettur Dam for payment of outstanding dues of Electricity Tax for the period February 2002 to December 2003. Writ petitions had been filed by the Company against the Tamilnadu Electricity Board in the Madras High Court contesting the levy of Electricity Tax. Madras High Court has dismissed the Writ Petitions. The Company as gone on appeal before the Division Bench of the Madras High Court. The Company has made provisions of Rs. 3.95 crores in its books of accounts till December 31, 2004 towards payment of these dues.
- A demand has been made on the Company by the Public Works department, Government of Tamilnadu for Rs. 2,05,30,221 being arrears for the previous years during which time the Company had been making payments only towards utilisation up to 1 mgd water from the Cauvery river against allotted quantity of 5 mgd water. The Company is in negotiations with the Public Works department to reach a settlement. However, the Company has made a provision of Rs. 2,05,30,221 in its books of accounts.
- The Company made an arrangement with the Tamilnadu Water and Drainage Board (TWADB) for using their bridge for the water pipeline owned by the Company by paying royalty charges of Rs. 3 lacs per annum. The Company received a letter dated October 15, 1998 from Executive Engineer, TWADB stating that the royalty charges have been revised to Rs. 11.549 lacs per annum effective from 1993. The Company is representing to TWADB for charging the originally agreed royalty of Rs. 3 lacs per annum and the matter is pending. However, a provision of Rs. 94,03,900 has been made in the accounts for the increase in the charges.
- Tamilnadu Electricity Board by a demand notice dated October 11, 2004 has demanded a payment of Rs.1,35,77,199 (inclusive of belated payment surcharge of Rs. 16,89,099) being arrears of peak hour charges for the period July 2003 up to August 2004. The Company had filed Writs Petitions in the Madras High Court challenging the levy of belated payment surcharge of Rs. 16,89,099. Further, the Company also requested that it be allowed to pay the peak hour charges of Rs. 1,35,77,199 (without the surcharge) in twenty (20) equal installments. By an order dated November 02, 2004, the Madras High Court permitted the Company to pay peak hour charges of Rs. 1,35,77,199 in ten (10) equal installments and granted an order of interim stay in respect of the demand of surcharge. The final hearing is awaited.
- The Company filed a writ petition challenging the provision of The Tamil Nadu Electricity (Taxation on Consumption) Act, 2003. As per the said Act and the rules framed thereunder, the Company had to register its captive power plant with the Registering Authority (Electrical Inspectorate) and was also required to pay 10 paise tax per unit with effect from June 16, 2003 on power generated by generator or the captive power plant. Pending final hearing of the writ petition, the Company has obtained an interim injunction restraining the Tamilnadu Government from the levy of tax on sale of electricity for High Tension service connection and consumption for own use out of generator.
- M/s Indo Fab Engineering ("Indo Fab") have obtained a decree of Rs. 31,90,734.92 plus interest against two companies viz. M/s Eastern Metallurgical Equipments Pvt. Ltd and M/s Simplex Engineering. As the Company owed Rs. 1,00,00,000 to M/s Simplex Engineering, Indo Fab has taken out garnishee order/attachment order in case no. OS700/96 to the tune of Rs. 54,57,844 in the execution application filed against M/s Simplex Engineering, i.e. the Judgment Debtors in the Trichirapalli District Court. Indo Fab, in another case (OS No. 697/1996) have obtained a decree and have applied to the court for garnishee order to the extent of Rs. 25,00,000. The Company is in the process of filing an affidavit.
- A winding up petition under Section 433 and 434 of the Companies Act, 1956 has been filed in the Madras High Court for default in payment of Rs. 76,30,054. The Company has filed an affidavit disputing the claim in the before the Court (case no. CP no. 204 of 2004).

- The Company had received a notice under section 433 and 434 of the Companies Act, in November 2004 for default in the payment of Rs. 81,65,356 plus interest thereon. The Company has replied to the notice disputing the above claim.

#### **Civil cases**

- One of the land dispersee has filed a case in the Court of the District Munsif of Mettur (case OS no. 329 of 2004) against the Company, demanding award of a labour contract to a particular group of land-dispersed persons.
- Government of Tamilnadu acquired 154 acres of land for the Company and passed an award for the 154 acres. However, symbolic possession has been given to the Company for 105 acres only. The handing over of balance portion of 49 acres has been stayed by the Court under the 3 Petitions filed by the land owners against the Government of Tamilnadu and the Company.

#### **Labour related cases**

- A driver in casual employment, engaged by an executive of the Company, has filed a case in the Labour Court, Salem (case no. ID 106/2002) against the Company, claiming employment in the Company. Employees of a labour contractor, claiming wage revision from the labour contractor, have included the Company as a party to the suit as the Company is principal employer.
- Employees of a labour contractor claiming wage revision from the labour contractor has included the Company as a party to the suit as a principal employer. The Deputy Commissioner of Labour has referred the dispute to the Government of Tamilnadu for settlement as an industrial dispute. The Company has filed a writ petition to quash the order of reference.

#### **Central Excise**

- Two cases are pending before the Central Excise and Service Tax Appellate Tribunal (CESTAT) in respect of availment of MODVAT on Capital Goods for the fiscal years 1994-95 and 1999-2000 amounting to Rs. 23.56 lacs and Rs. 12.29 lacs respectively.

#### **Rescheduling of redemption of debentures**

Partial Option Convertible Debentures (POCDs) of face value Rs. 70 were issued by the Company in March 1995 as per following terms mentioned in the prospectus:

- Face value of Rs. 70 with a compulsory conversion of Rs. 40 into 2 equity shares of Rs. 20 each at the time of allotment on May 17, 1995
- Balance amount of Rs. 30 to be treated as an Optionally Convertible Debenture (OCD) with an option of conversion into 1 equity share of face value of Rs. 10 each at a price of Rs. 30 each after 3 years from the date of allotment (i.e. on or after May 17, 1998).
- After May 17, 1998, debentures on which option to convert into equity is not exercised, to carry interest of 15% p.a. payable half-yearly in September and March.
- Debentures to be redeemed in 5 annual installments of Rs. 6 each, starting from May 17, 2000.

The Company was regular in making the interest payment up to September 2000. Due to lack of liquidity, the Company was not in a position to pay interest due for the period October 1, 2000 onwards. The first redemption of Rs. 6 (due on May 17, 2000) was done by the Company except for the pending amount as stated below. The second installment for redemption of debenture due on May 17, 2001 could not be paid. A resolution was passed in a general meeting of debenture holders convened on February 25, 2002, to reschedule redemption of balance 4 installments, interest arrears and future interest as follows:

*Principal*

<b>Original due date</b>	<b>Rescheduled due date</b>	<b>Amount payable per debenture for redemption</b>	<b>Reduced principal</b>
May 17, 2001	May 17, 2005	Rs. 6	Rs. 18
May 17, 2002	May 17, 2006	Rs. 6	Rs. 12
May 17, 2003	May 17, 2007	Rs. 6	Rs. 6
May 17, 2004	May 17, 2008	Rs. 6	Nil

*Interest*

- Interest for the period from 01.10.2000 to 30.09.2003 totaling Rs. 10.80 per debenture to be paid in two installments as under:  
Rs. 5.40 per debenture on 30.09.2003 and Rs. 5.40 per debenture on 31.12.2004
- Interest for the delayed payment calculated at the same rate of 15% to be paid on 31.03.2005.
- For the period 01.10.2003 onwards, interest to be paid on March 31 and September 30 each year at 15% on the principal amount outstanding with reference to the period for which it has been outstanding.

The defaults in servicing in accordance with above terms are given below.

**Defaults in Servicing**

Debenture interest aggregating Rs. 7,62,83,550 which was due on March 31, 2004 (Rs. 1,52,56,710), September 30, 2004 (Rs. 1,52,56,710) and December 31, 2004 (Rs. 4,57,70,130) has not been serviced by the Company.

An amount of Rs. 83,31,300 being the first installment of redemption due on May 17, 2000 for debentures issued by the Company has not been paid for want of surrender of debenture certificates for endorsement by the debenture holders.

**Litigation against Directors of SISCO**

Mr. P. Shanmugasundaram has received summon no. CC 802/02 Hg dated August 29, 2002 from IX Metropolitan Magistrate Court, Saidapet, Chennai and has appeared before the court as a nominee director of Indian Natural Medical Products Ltd. He is yet to be served with a copy of charge memo for the same.

Mr. N. K. Jain's name is mentioned in the RBI list for willful default of Rs. 25 lacs and above, in respect of West Coast Saw Pipes Limited (WCSPL). However, Mr. Jain had resigned as a director from the board of WCSPL w.e.f. October 30, 2002 and has not been associated with the company since then. In this regard, WCSPL filed Form 32 on November 25, 2002 with Registrar of Companies, Maharashtra for intimating the change in directors. Subsequently, a letter dated October 25, 2004 was also sent by WCSPL to SBI, Industrial Finance Branch forwarding the acknowledgement of form 32 filed with the Registrar of Companies for the resignation, advising that Mr. Jain was not a promoter director on WCSPL and requesting SBI to inform RBI to update their list of defaulters by removing name of Mr. Jain from the list. Copy of this letter was also sent to RBI. A letter dated October 29, 2004 was sent by SBI, Industrial Finance Branch to WCSPL advising that the letter from WCSPL requesting removal of above name has been forwarded to ITCOT Ltd. (Industrial Technical Consultancy Organisation of Tamilnadu Limited)

**(C) Associate Companies****(1) South West Port Limited (SWPL)**

Contingent liabilities not provided for relates to claims made by a dredging contractor, currently pending before arbitration, to the extent the company does not expect any determination of liability in respect thereof amounting to Rs. 155.75 lacs.

### Outstanding Litigation

Sr. No.	Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
1.	Jaisu Shipping Company Pvt. Ltd.  Versus  South West Port Ltd.	Arbitration at the Evidence stage	Claims for the dredging work carried out at the Marmagoa Port	3.47 crores	SWPL is disputing the claim, as the Claimant had not dredged the entire lagoon area stipulated under the contract. Moreover, the work had also not been completed within time. SWPL has also filed a Counter Claim of Rs. 3.93 crores for delay and loss of profits due to a 45 days overrun along with interest @ 12.00 % p.a.

### (2) Jindal Praxair Oxygen Company Private Limited (JPOCL)

Contingent Liabilities not provided as on March 31, 2003 were:

(Rs. in lacs)

Sr. No.	Particulars	Amount
1.	Bank Guarantees	111.30
2.	Excise Duty matters disputed by the company	6902.96
3.	Claims against the company not acknowledged as debt	270.00

### Outstanding Litigation

#### Cases filed by the Excise Department

Sr. No.	Case No.	Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
1.	8 Appeals	Comm. Of Excise Vs. JPOCL	CESTAT	Claim of Duty	12.88 crores	Venting of Gases has been treated by the Dept. as despatch and levied duty upon the same.
2.	8 Appeals	Comm. Of Excise Vs. JPOCL	CESTAT	Claim of Duty	7.80 crores	Venting of Liquid Products has been treated by the Dept. as despatch and levied duty upon

Sr. No.	Case No.	Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
						the same.
3.	2 Appeals	Comm. Of Excise Vs. JPOCL	CESTAT	Claim of Duty	1.87 crores	Denial of MODVAT availed by JPOCL on the Capital Goods.
4.	4 cases	Comm. Of Excise Vs. JPOCL	CESTAT	Claim of Duty on Captive Consumption	51.93 lacs	LOX Captive Consumption
5.	2 cases	Comm. Of Excise Vs. JPOCL	CESTAT	Duty on Infrastructure Services	8.98 lacs	Duty on reimbursement of expenses
6.	1 case	Comm. Of Excise Vs. JPOCL	Asst. Comm.	Duty on MTOP	2.77 lacs	
7.	1 case	Comm. Of Excise Vs. JPOCL	Asst. Comm.	Duty on IT Reimbursement	11.16 lacs	

#### Cases filed by JPOCL against the Excise Department

Case No.	Parties	Pending Before	Subject of the Matter	Amount Involved (Rs.)	Facts
	JPOCL Vs. Comm. Of Excise	Comm. Of Central Excise (Appeals)	Duty on Infrastructure Services	1.22 lacs	Duty on reimbursement of expenses
	JPOCL Vs. Comm. Of Excise	Asst. Comm.	Duty on Infrastructure Services	1.22 lacs	Duty on reimbursement of expenses
4 cases	JPOCL Vs. Comm. Of Excise	Comm. Of Excise (A)	Service Tax	55.74 lacs	Service Tax payable on Engineering Services of Praxair Inc., Technical Services and Field Service Agreements.
2 cases	JPOCL Vs. Comm. Of Excise	Comm. Of Excise (A) and Asst. Comm.	Claim of Duty	60.48 lacs	Denial of MODVAT availed by JPOCL on the Capital Goods to the extent of 25% on project imports.
2 cases	JPOCL Vs. Comm. Of Excise	Asst. Comm.	Denial of MODVAT credit	2.06 crores	Denial of MODVAT availed by JPOCL on the Capital Goods (SS Plates and 25% on project imports.
10 Appeals	JPOCL Vs. Comm. Of Excise	Comm. Of Excise (A)	Claim of Duty	90.51 crores	Venting of Liquid Products has been treated by the Dept. as despatch and levied duty upon the same.
116 of 2002	JPOCL Vs. Comm. Of	Asst. Comm.	Claim of Duty	1.74 crores	Venting of Liquid Products has been

	Excise (Provisional Assessment)				treated by the Dept. as despatch and levied duty upon the same.
3 Appeals	JPOCL Vs. Comm. Of Excise	Commissioner of Excise (A)	Claim of Duty	5.21 crores	Venting of Gases has been treated by the Dept. as despatch and levied duty upon the same.

#### **Against subsidiaries of JSWHL**

JSWHL has no subsidiary company/ies.

#### **Against Directors of JSWHL**

There are no pending litigation/default against directors of JSWHL except mentioned below.

Mr. Sajjan Jindal and N. K. Jain's name are mentioned in the RBI list for willful default of Rs. 25 lacs and above, in respect of West Coast Saw Pipes Limited (WCSPL). However, Mr. Sajjan Jindal and Mr. N. K. Jain had resigned as director from the board of WCSPL w.e.f. June 28, 2002 and October 30, 2002 respectively and has not been associated with the company since then. In this regard, WCSPL filed requisite Form 32 with Registrar of Companies, Maharashtra for intimating the change in directors. Subsequently, letters dated October 25, 2004 were also sent by WCSPL to SBI, Industrial Finance Branch forwarding the acknowledgement of form 32 filed with the Registrar of Companies for the resignation, advising that Mr. Sajjan Jindal and Mr. N. K. Jain were not promoter directors on WCSPL and requesting SBI to inform RBI to update their list of defaulters by removing name of Mr. Sajjan Jindal and Mr. N. K. Jain from the list. Copies of these letters were also sent to RBI. A letter dated October 29, 2004 was sent by SBI, Industrial Finance Branch to WCSPL advising that the letter from WCSPL requesting removal of above name has been forwarded to ITCOT Ltd. (Industrial Technical Consultancy Organisation of Tamilnadu Limited).

## **GOVERNMENT APPROVALS**

Since JSWHL is a holding / investment company with no business other than making investments and providing consultancy services, no government license/approval is required by it to carry on its activity.

An application is being filed with Reserve Bank of India for registering the Company as NBFC.

## **OTHER REGULATORY DISCLOSURES**

### **Stock Market Data for Equity Shares of JSWHL**

Equity Shares of JSWHL are not listed on any stock exchanges. JSWHL is seeking approval for listing of its shares through this Information Memorandum.

### **Particulars Regarding Previous Public or Rights Issues During the Last Five Years**

JSWHL has not made any previous public or rights Equity issue during the last five years. There is no other issue of Equity shares otherwise than for cash and there are no outstanding debentures and redeemable preference shares. There has been no revaluation of assets of JSWHL.

### **Companies under the Same Management**

There are no companies under the same management within the meaning of Section 370(1B) of the Companies Act, other than the ones disclosed elsewhere in the Information Memorandum.

### **Disclosure on negative net worth/winding up/sick/BIFR/disassociation/strike off from ROC**

There is no other group company of JSWHL having a negative net worth or under winding up or a sick company or under BIFR except as mentioned above in the Information Memorandum. Further, JSWHL has not disassociated from any company. Further, none of group companies of JSWHL have applied for striking off their name from the ROC.



## **DIVIDEND POLICY**

Since incorporation, no dividend on Equity shares of JSWHL has been declared. Dividends will be declared at the Annual General Meeting of the shareholders based on a recommendation by the Board. The Board may recommend dividends, at its discretion, to be paid to the members of JSWHL.

## FINANCIAL INFORMATION

### AUDITORS' REPORT

To,  
The Board of Directors  
Jindal South West Holdings Ltd.  
Jindal Mansion,  
5A - Dr. G. Deshmukh Marg  
Mumbai - 400 026.

Dear Sirs,

We were engaged to report on the financial information of Jindal South West Holdings Ltd. ("the Company") which is required to be prepared in accordance with the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000 ("the Guidelines") issued by the Securities and Exchange Board of India ("SEBI") in pursuance of section 11 of the Securities and Exchange Board of India Act, 1992.

The financial information is proposed to be included in the Information Memorandum to be issued to the Stock Exchange Authorities in India in connection with the listing of fully paid up Equity shares (including issued to the shareholders of erstwhile Jindal Iron & Steel Co. Ltd. pursuant to the Scheme of Arrangement and Amalgamation (Scheme) sanctioned by the Hon'ble High Courts of Bombay and Karnataka on 3<sup>rd</sup> September, 2004 and 20<sup>th</sup> January, 2005 respectively) of the Company.

The Company's management is responsible for preparation of summary statement and the capitalization statement and our responsibility is to report based on the work done. We have performed such tests and procedures, which, in our opinion, were necessary for our reporting to you. These procedures include comparison of the annexed financial information with the Company's audited financial statements.

We were engaged to report on the annexed statement of assets and liabilities of the Company as at 31<sup>st</sup> March, 2005, 31<sup>st</sup> March, 2004, 31<sup>st</sup> March, 2003 and 31<sup>st</sup> March, 2002, (Annexure I) and statement of profit and loss for each of the four consecutive financial years ended 31<sup>st</sup> March, 2005 read together with the notes thereon (Annexure II).

The above said statements have been extracted from the financial statements drawn up in accordance with the provisions of the Companies Act, 1956, audited by us for the years ended on 31<sup>st</sup> March, 2005, 31<sup>st</sup> March, 2004, 31<sup>st</sup> March, 2003 and 31<sup>st</sup> March, 2002.

Based on our audit for the years ended on 31<sup>st</sup> March, 2005, 31<sup>st</sup> March, 2004, 31<sup>st</sup> March, 2003 and 31<sup>st</sup> March, 2002, we confirm that:

1. (a) These statements reflect the 'Assets and Liabilities' and 'Profit and Losses' for each of the relevant periods as extracted from financial statements drawn up in accordance with the provisions of the Companies Act, 1956, audited by us after making therein the disclosures and adjustments required to be made in accordance with the provisions of paragraph 6.10.2.7 of the Guidelines.
- (b) The aforesaid statement of Assets & Liabilities and Profit & Loss have been drawn up by the Company giving effect to adjustments and regroupings as and when considered appropriate.

2. The summary of significant accounting policies adopted by the Company is enclosed as Annexure III to this report.
3. The Notes to the Statement of “Assets & Liabilities” and ‘Profit & Loss Account’ are enclosed as Annexure IV.
4. We have also examined the accompanying statement of Accounting Ratios set out in Annexure V for the four consecutive previous financial years upto the year ended on 31<sup>st</sup> March, 2005, the Statement of Capitalisation as set out in Annexure VI which has been prepared based on audited information, approved by the Company and annexed to this report. We report that in our opinion, they have been correctly computed from the figures stated in the Statement of Assets and Liabilities and Profit and Loss as referred above.
5. The Company has not declared dividends during any financial years covered in this report.
6. The Company has not taken unsecured loan. Hence the information regarding analysis of outstanding unsecured loans in accordance with the paragraph 6.10.2.7(h) of the Guidelines have not been disclosed.
7. Disclosure of the Tax Shelter Statement as required by paragraph 6.10.2.7 (i) of the Guidelines is given in note 7 of Annexure IV.

This report is intended solely for your information and for the Company to comply with the provisions of the Guidelines and may not be suitable for any other purpose.

For Shah Gupta & Co.  
Chartered Accountants

Vipul K. Choksi  
Partner  
M. No. 37606

Place : Mumbai  
Date : 28<sup>th</sup> April 2005

**Annexure I****STATEMENT OF ASSETS AND LIABILITIES**

		Year ended March, 31,			
		2002	2003	2004	2005
		Rupees in Lacs			
<b>A</b>	<b>Fixed Assets:</b>				
	Gross Block	-	-	-	6.57
	Less : Depreciation	-	-	-	0.22
	Net Block	-	-	-	6.35
	Less: Revaluation Reserve	-	-	-	-
	Net block after adjustment for Revaluation Reserve	-	-	-	<b>6.35</b>
<b>B</b>	<b>Investments</b>	-	<b>8.28</b>	<b>8.28</b>	<b>43,088.20</b>
<b>C</b>	<b>Deferred Tax Asset - net</b>	-	-	-	<b>1.04</b>
<b>D</b>	<b>Current Assets, Loans and Advances:</b>				
	Inventories	-	-	-	-
	Sundry Debtors	-	0.52	0.19	-
	Cash & Bank Balances	4.32	0.91	1.78	344.85
	Loans & Advances	-	-	0.08	9,791.13
	Other Current Assets	-	-	-	-
		<b>4.32</b>	<b>1.43</b>	<b>2.05</b>	<b>10,135.98</b>
<b>E</b>	<b>Liabilities and Provisions:</b>				
	Secured Loans	-	-	-	-
	Unsecured Loans	-	-	-	-
	Current Liabilities and provisions	0.02	0.12	13.43	14.29
		<b>0.02</b>	<b>0.12</b>	<b>13.43</b>	<b>14.29</b>
<b>F</b>	<b>Net worth</b>	<b>4.30</b>	<b>9.59</b>	<b>(3.10)</b>	<b>53,217.28</b>
<b>G</b>	<b>Represented by</b>				
	1. Share Capital (see note)	5.00	10.00	10.00	1,109.96
	2. Reserves	-	0.23	(4.87)	52,121.06
	Less Revaluation Reserve	-	-	-	-
	Reserves (Net of Revaluation Reserves)	-	0.23	(4.87)	52,121.06
	Less: Misc. Expenditure	(0.70)	(0.64)	(8.23)	(13.74)
	<b>Networth</b>	<b>4.30</b>	<b>9.59</b>	<b>(3.10)</b>	<b>53,217.28</b>

**Note:** Share Capital includes an amount of Rs.1099.96 Lacs on account of allotment of Equity shares on 16th March, 2005 to Shareholders of JISCO (erstwhile) in the ratio of 1 equity share of Rs.10 each for every 4 equity shares held by them in JISCO (erstwhile).

**Annexure II**  
**STATEMENT OF PROFITS AND LOSSESS**

	Year ended March, 31,			
	2002	2003	2004	2,005
	Rupees in Lacs			
<b>Income</b>				
<b>Sales</b>	-	-	-	-
Total	-	-	-	-
Other Income *	-	0.50	0.33	560.66
Increase (Decrease) in inventories	-	-	-	-
		<b>0.50</b>	<b>0.33</b>	<b>560.66</b>
<b>Expenditure</b>				
Raw Material Consumed	-	-	-	-
Staff Costs	-	-	-	15.34
Other Manufacturing expenses	-	-	-	-
Administration Expenses	-	0.21	5.42	12.34
Selling & Distribution Expenses	-	-	-	-
Depreciation	-	-	-	0.22
Interest	-	-	-	-
		<b>0.21</b>	<b>5.42</b>	<b>27.90</b>
Net Profit before Tax	-	0.29	(5.09)	532.76
Less: Provision for Tax - Current	-	0.06	-	4.65
Add: Deferred Tax Assets	-	-	-	1.37
Net Profit after Tax	-	<b>0.23</b>	<b>(5.09)</b>	<b>529.48</b>
<i>* Since the said company is an NBFC and not manufacturing company there is no sales.</i>				
<i>Break up of other income is :</i>				
<i>Dividend</i>	-	-	0.15	504.71
<i>Interest</i>	-	-	-	36.53
<i>Consultancy Fees</i>	-	0.50	0.18	-
<i>Profit on sale of Investments</i>	-	-	-	19.42
		<b>0.50</b>	<b>0.33</b>	<b>560.66</b>

### **Annexure III**

#### **SIGNIFICANT ACCOUNTING POLICIES**

##### **(a) General**

- a. The financial statements are prepared under the historical cost convention on the accounting principle of a going concern and comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956 except otherwise stated.
- b. The company follows Mercantile system of accounting and recognizes Income & Expenditure on accrual basis except dividend, which is accounted on receipt basis, and those with significant uncertainties and in accordance with the applicable accounting standards.

##### **(b) Fixed Assets**

Fixed assets are stated at cost of acquisition, including any attributable cost for bringing the assets to its working conditions for its intended use, less accumulated depreciation.

##### **(c) Depreciation**

The Company provides depreciation on assets on the written down value method on pro-rata basis at the rates prescribed in Schedule XIV to the Companies Act, 1956.

##### **(d) Investments**

Long term Investments are stated at cost. In case, there is a permanent diminution in the value of investments, a provision for the same is made in the accounts.

##### **(e) Retirement Benefits**

Liability in respect of retirement benefits is provided and / or funded and charged to Profit and Loss Account as follows:

- i. Provident Fund: On actual liability basis.
- ii. Leave Encashment: As determined on the basis of accumulated leave to the credit of the employee as at the year end.

##### **(f) Taxes on Income**

Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the Income Act, 1961.

The deferred tax for timing difference between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that this would be realized in future.

##### **(g) Impairment of Fixed Assets**

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the

carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

**(h) Contingent Liabilities**

Contingent liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**(i) Miscellaneous Expenditure**

Preliminary Expenses and Share Issue Expenses are written off over a period of ten years.

**Annexure IV****NOTES ON FINANCIAL STATEMENTS**

1. a. Pursuant to the Scheme of Arrangement and Amalgamation (Scheme) sanctioned by Hon'ble High Courts of Bombay and Karnataka on 3<sup>rd</sup> September, 2004 & 20<sup>th</sup> January, 2005 respectively, the Investment Portfolio of Jindal Iron & Steel Co. Ltd (JISCO)(erstwhile), along with certain loans & advances, referred to as Investment division has been transferred to the Company with effect from 1-4-2003 (Appointed date).

The Scheme has accordingly been accounted in these financial statements with effect from appointed date under "purchase method" of accounting as prescribed by Accounting Standard (AS 14 "Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India.

- b Pursuant to the Scheme, the Company has issued 10,999,625 fully paid up equity shares of Rs.10 each to the Shareholders of JISCO (erstwhile) in the ratio of 1 equity share of Rs.10 each for every 4 equity shares held by them in JISCO (erstwhile).
- c The Company has incorporated investments and Loans & Advances at fair value as determined by the valuer. The difference of Rs.5,155,753,243 between the amount of Share Capital issued by the Company and the value of assets transferred from JISCO (erstwhile) has been credited to General Reserve of the Company as at 1<sup>st</sup> April, 2003 in accordance with the Scheme.

	<b><u>Rupees</u></b>
Investments & Loans & Advances	5,265,749,493
Less : Amount of Equity shares issued to the shareholders of erstwhile JISCO	<u>109,996,250</u>
<b>Excess Credited to General Reserve</b>	<b><u>5,155,753,243</u></b>

The aforesaid difference has been credited to General Reserve as per the 'Scheme' approved by Hon'ble High Courts of Bombay and Karnataka, which is allowed as per Accounting Standard (AS) 14 "Accounting for Amalgamations" issued by the Institute of Chartered Accountant of India.

- d From 1<sup>st</sup> April, 2003, JISCO (erstwhile) had carried the Investment division in "trust" on behalf of the Company. Accordingly, the Income & Expenses for the year 2003-04 of Investment division of erstwhile JISCO has been given effect to in the profit and loss account, as disclosed in Schedule B.

	<b><u>Rupees</u></b>
Add : Income of Investment division of erstwhile JISCO	5,334,334
Less : Expenses of Investment division of erstwhile JISCO	865,510
Less : Provision for Tax – AY 2004-05	<u>545,000</u>
	<u>3,923,824</u>



- e In view of aforesaid Scheme with effect from 1<sup>st</sup> April, 2003 (Appointed date) the Balance Sheet as at 31<sup>st</sup> March, 2005 and the profit and Loss Account and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2005 include the figures of JISCO (erstwhile) from the said date. Hence, the figures of the current year are not comparable with those of the previous year.
2. The Company has become a Non Banking Finance Company (NBFC) as per Reserve Bank of India Act, 1934. The Company is in the process of completing necessary formalities for registration.
  3. In the opinion of the Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated.
  4. Based on the information available with the Company regarding the status of the supplier as defined under the interest on Delayed payments to Small Scale and Ancillary Industrial Undertaking Act, 1993, there are no amounts due to small scale and/or ancillary industrial suppliers on account of principal and/or interest as at the close of the year.

5. Remuneration to the Auditors:

	<b>2004-2005</b>		2003-2004
	<b>Rupees</b>		Rupees
Audit Fees	<b>27,550</b>		3780
Tax Audit	<b>11,020</b>	=	
Other services	<b>36,713</b>		-
Out of pocket expenses (including Service Tax)	-		-

6. Segment Reporting

Based on guiding principles given in Accounting Standard - 17 'Segment Reporting', issued by the Institute of Chartered Accountants of India, the Company's primary business segment is Investing & Financing. These activities mainly have similar risks and returns. As company's business activities falls within a single primary business segment the disclosure requirements of AS-17 in this regard are not applicable.

7. In compliance with the Accounting Standard 22 (AS 22) relating to "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has:
  - (i) Adjusted net Deferred Tax Liability of Rs. 33,408/- as at 31<sup>st</sup> March 2004 against the General Reserve and
  - (ii) Recorded Deferred Tax Assets of Rs. 1,37,101/- for the current year.

Net Deferred Tax Assets comprises:

<b>Deferred Tax Liability :</b>		<b>As at 31.03.2005</b>
		<b>Rupees</b>
(a)	Expenses covered by Section 35 D of the Income Tax Act, 1961	88,499

(b)	Depreciation	23,145
	<b>Deferred Tax Assets :</b>	
(a)	Expenses covered by section 35 DD of the Income Tax Act, 1961	2,15,337

8. Related Party Disclosures, as required by Accounting Standard 18, “**Related Party Disclosures**”, issued by the Institute of Chartered Accountants of India is given below:

**(a) List of Related Parties**

- (i) Parties where control exists:  
NIL
- (ii) Other Related Parties with whom the Company has entered into transactions during the year:  
(Associates of the Company/Enterprises over which key management personnel and/or their relatives exercise significant influence)  
Jindal Vijayanagar Steel Ltd.  
Sun Investments Pvt. Ltd.

**(b) Related party Transactions:**

	<b>Current Year</b>	Previous Year
	Referred to In (a)(ii) above <u>(Rupees)</u>	Referred to In (a)(ii) above <u>(Rupees)</u>
Sale of goods/services	<b>Nil</b>	17,500
Loans/Advances given	<b>Nil</b>	Nil
Loans/Advances taken	<b>Nil</b>	1,000,000
Dividend Received	<b>48,167,983</b>	Nil

**c) Outstanding Balances as at 31<sup>st</sup> March 2005**

	<b>Current Year</b>	Previous Year
	Referred to in (a) (i) above (Rupees)	Referred to in (a) (i) above (Rupees)
Loan/Advance Given	<b>381,629,922</b>	Nil
Loan /Advance Taken	<b>Nil</b>	1,000,000
Sundry Debtors	<b>Nil</b>	18,900

**Notes:**

- Details relating to investments in the above related parties have been disclosed in Schedule C "Investments".
- Related party relationship is as identified by the management and relied upon by the auditors.

9. Computation of Basic and Diluted Earnings per share:

<b>Particulars</b>	<b>2004-2005 Rupees</b>	2003-2004 Rupees
Profit (loss) after Tax (As per Profit and Loss Account)	<b>52,948,618</b>	(509,204)
Total Number of shares	<b>11,099,625</b>	100,000
Earnings Per Share (Basic and Diluted) (Face Value – Rs. 10/- per share) (Rs.)	<b>4.77</b>	(5.09)

10. There are no internal or external indications existing on the Balance Sheet date indicating that an asset is impaired. Accordingly there is no impairment loss as mentioned in the Accounting Standard – 28 (AS-28) “Impairment Loss” issued by the Institute of Chartered Accountants of India.
11. Previous year figures have been regrouped/ rearranged wherever necessary to confirm with current year’s presentation. Current year’s figures include the figures of investment business of JISCO (erstwhile) and hence, not comparable with that of previous year.
12. The additional Information pursuant to Part II of Schedule VI to the Companies Act, 1956 are either Nil or Not Applicable.

**Annexure V****Accounting Ratios****For the year Ended on March, 31**

		<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b>1</b>	<b>Earning Per Share</b>				
	Net Profit after Tax (a)	-	22,684	(509,204)	52,948,618
	No. of Shares (b)	50,000	100,000	100,000	11,099,625
	EPS (a)/(b)	0	0.23	(5.09)	4.77
<b>2</b>	<b>Return on Net Worth</b>				
	Net Profit after Tax (a)	-	22,684	(509,204)	52,948,618
	Net Worth (b)	500,000	936,473	(309,205)	5,321,728,264
	RONW (a)*100/(b)	0	2.422	-	0.995
<b>3</b>	<b>Net Asset Value</b>				
	Net Assets (a)	500,000	936,473	(309,205)	5,321,728,264
	No. of Shares (b)	50,000	100,000	100,000	11,099,625
	NAV (a)/(b)	10	9.36	(3.09)	479.45

**Annexure VI**  
**CAPITALISATION STATEMENT**

	Pre-issue as at 31-3-2004	As adjusted for Issue <b>(Rupees in lacs)</b>
Short Term Debt	-	-
Long Term Debt	-	-
Shareholders Funds:		
Share Capital	10.00	1,110.00
Reserves	(4.87)	52,121.06
<b>Total Shareholders Funds</b>	<b>5.13</b>	<b>53,231.06</b>
Long Term Debt /Equity	-	-

***NOTE: Since there are no Long Term and short term Debt, total Debt / Networth and Debt/ Equity ratio is not applicable.***

## MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF JSWHL

Following are the main clauses of the Articles of Association of JSWHL. In addition to these clauses, the other clauses including inter alia relating to restriction on transfer of shares, matters to be decided at board meetings, etc. can be perused from the Articles of Association which is available for inspection as mentioned at the end of this Information Memorandum.

### Transmission of Shares

60. In the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
61. The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators or holders or successors or the legal representatives, unless such executors or administrators or legal representatives shall have first obtained Probate or Letter of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Article 60 register the name of any person who claims to be absolutely entitled to the share standing in the name of a deceased member, as a member.
62. No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.
63. Subject to the provisions of the Act and Article 57 and 58 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Articles or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.
64. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge for, any dividend or other moneys payable in respect of the shares.
65. There shall be paid to the Company in respect of the transfer or transmission of any number of shares such fee, if any, as the Directors may require.
66. The Company shall incur no liability or responsibility whatsoever in consequence of its or giving effect to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of

person having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have such notice, or referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to record and attend to any such notice and give effect thereto if the Board shall so think fit.

### **Board of Directors**

116. 1) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors (excluding Debenture and Alternate Directors) shall not be less than three nor more than twelve.
- 2) The first Directors of the Company shall be :
- 1) Mr. Sajjan Jindal
  - 2) Mr. Nirmal Kumar Jain
  - 3) Dr. Saibal Kanti Gupta
117. Whenever Directors enter into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Directors shall have, subject to the provisions of Section 255 of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the company one or more persons, who are acceptable to the Board, as Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint, nominate them and the appointer may appoint another or other in his or their place and also fill in vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.
120. Subject to the provisions of Section 260, 261 and 264 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 112. Any such additional Director shall hold office only up to the date of next Annual General Meeting.
121. Subject to the provisions of Section 261, 264 and 284 (6) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be Director to fill a causal vacancy. Any person so appointed shall hold office only up to the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.
122. A Director of the company shall not be bound to hold any qualification shares.

124. The Board may allow and pay to any Director, who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with the business of the Company.
135. A retiring Director shall be eligible for re-election.
136. Subject to Section 258 and 261 of the Act the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.
138. Subject to Section 259 of the Act, the Company may by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

#### **Winding up**

193. The liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories as the liquidator with the like sanction shall think fit.

#### **Indemnity And Responsibility**

194. Every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.
195. Subject to provisions of Section 201 of the Act no Director, Manager or other Officer of the Company shall be liable for the act, receipts, neglects of any other Director or Officer or for joining in any receipts or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors, for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the company shall be invested or for any loss or damage arising from bankruptcy, insolvency or tortious act of any person with whom any moneys, securities, or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damages or misfortunes whatever which shall happen in the execution of the duties of this officer or in relation thereto unless the same happens through his own dishonesty.



## **MATERIAL CONTRACTS AND DOCUMENTS**

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company), which are or may be deemed material are available at our registered office of JSWHL at Jindal Mansion, 5A – Dr. G. Deshmukh Marg, Mumbai – 400 026 for inspection from 10.00 a.m. to 4.00 p.m. These documents have been delivered to The Stock Exchange, Mumbai along with this Information Memorandum.

### **Material Documents**

- 1) Memorandum and Articles of Association of JSWHL as amended from time to time
- 2) Memorandum and Articles of Association of JVSL as amended from time to time
- 3) Certificate of Incorporation of JSWHL
- 4) Certificate of Incorporation of JVSL
- 5) Scheme of Arrangement between JISCO, JSWHL, JVSL and their respective members and creditors.
- 6) Orders dated 3<sup>rd</sup> September, 2004 and 20<sup>th</sup> January, 2005 of the Honorable High Courts of Judicature at Bombay and Karnataka respectively approving the Scheme of Arrangement
- 7) Tripartite Agreement between the JSWHL, Sharepro Services (India) Pvt. Ltd. (Registrar and Transfer Agent) and National Securities Depository Limited (NSDL) dated 23<sup>rd</sup> day of February, 2005.
- 8) Tripartite Agreement between the JSWHL, Sharepro Services (India) Pvt. Ltd. (Registrar and Transfer Agent) and Central Depository Services (India) Limited (CDSL) dated 14<sup>th</sup> day of February, 2005.
- 9) A copy of the draft Agreement being executed between JSWHL and Mr. K. N. Patel in connection with his appointment as Jt. Managing Director & CEO.

Any of the contracts or documents in this offer document may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the shareholders.

**DECLARATION**

All statements made in this Information Memorandum are true and correct.

**SIGNED ON BEHALF OF THE BOARD OF DIRECTORS**

For **Jindal South West Holdings Limited**

**K. N. Patel**  
**Jt. Managing Director & CEO**

Place : Mumbai.

Date : April 28, 2005.

**DEFINITIONS & ABBREVIATIONS**

<b>Term</b>	<b>Description</b>
AS	: Accounting Standards as issued by the Institute of Chartered Accountant of India
Articles / Articles of Association	: Articles of Association of Jindal South West Holdings Limited
Auditors	: The statutory auditors of JSWHL, M/s. Shah Gupta & Co., Chartered Accountants, Mumbai
Banker(s) to the Company	: The banks which is the banker to JSWHL
BIFR	: Board for Industrial and Financial Reconstruction
Board of Directors / Board / Directors	: The Board of Directors of JSWHL
BSE	: The Stock Exchange, Mumbai
CAGR	: Compounded annual growth rate
CDSL	: Central Depository Services (India) Limited
Companies Act	: The Companies Act, 1956, as amended from time to time
DSE	: The Delhi Stock Exchange Association Limited
EPS	: Earnings per Equity Share
Equity Shares	: Equity shares of the Company of Rs.10 each unless otherwise specified in the context thereof
Financial year / Fiscal / FY	: The twelve months ended March 31 of a particular year
FIPB	: Foreign Investment Promotion Board
HUF	: Hindu Undivided Family
Information Memorandum	: This document as filed with the Stock Exchanges is known as and referred to as the Information Memorandum
I.T. Act	: The Income-Tax Act, 1961, as amended from time to time, except as stated otherwise
JISCO	: Jindal Iron & Steel Company Limited
JSWHL	: Jindal South West Holdings Limited
JVSL	: Jindal Vijayanagar Steel Limited
Memorandum / Memorandum of Association	: The Memorandum of Association of JSWHL, and where specified for other Companies.
NAV	: Net Asset Value
NSDL	: National Securities Depository Limited
NSE	: The National Stock Exchange of India Limited
RBI	: Reserve Bank of India
Registered Office of our Company	: Jindal Mansion, 5A - Dr. G. Deshmukh Marg, Mumbai – 400 026
ROC	: The Registrar of Companies, Maharashtra, Mumbai
SCRR	: The Securities Contract (Regulation) Rules, 1957
SEBI	: The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	: Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Guidelines	: SEBI (Guidelines for Disclosure and Investor Protection) 2000 issued by SEBI effective from January 27, 2000, as amended, including instructions and clarifications issued by SEBI from time to time
Stock Exchanges	: BSE, NSE & DSE

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