



Excellence
through shared
values



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Sound business

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Steel Making



Innovative Products

At a time, when we are moving forward with accelerated momentum towards multi-dimensional growth, our values serve as an anchor. When values are shared and encouraged across an organisation, they generate a tremendous force of courage and conviction to strive for new frontiers of excellence.

Our values (Passion for People, Business Excellence, Integrity, Ownership, Sense of Belonging and Sustainable Development) are helping us build an agile, innovative, stakeholder-centric and more sustainable JSPL globally. An organisation with a strong foundation to transform the challenges of today into the opportunities of tomorrow.

18.31% 

Rise in total income to Rs. 13,193.59 crores in 2010-11 from Rs. 11,151.82 crores in 2009-10



Environmental Initiatives



Corporate Social Responsibility

8.30% 

Increase in operating profit to Rs. 6,398.59 crores in 2010-11 from Rs. 5,907.99 crores in 2009-10

7.46% 

Escalation in cash profit to Rs. 5,115.02 crores in 2010-11 from Rs. 4,759.96 crores in 2009-10

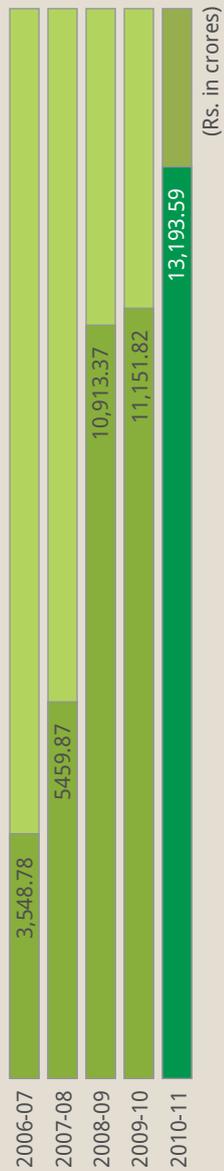
4.66% 

Growth in profit after tax to Rs. 3,804.01 crores in 2010-11 from Rs. 3,634.56 crores in 2009-10



Excellence in numbers

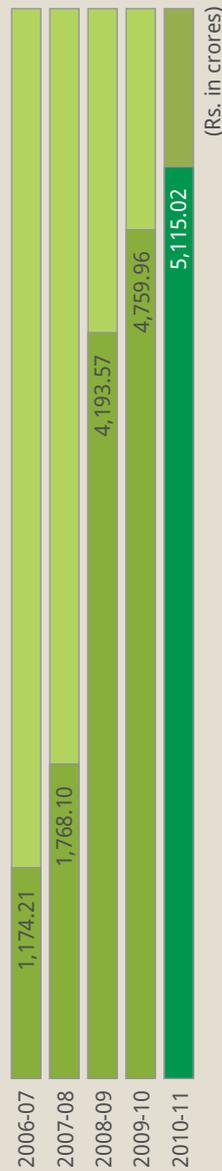
TOTAL INCOME



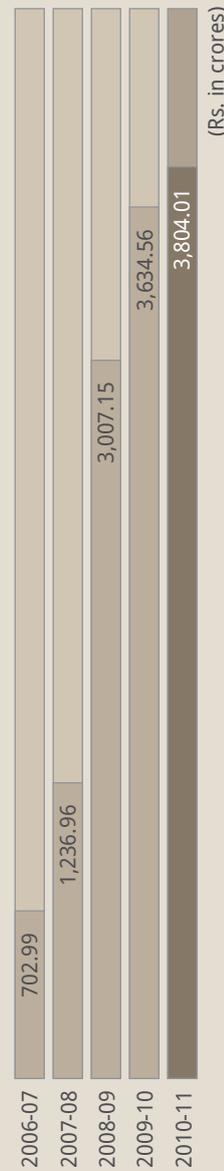
OPERATING PROFIT



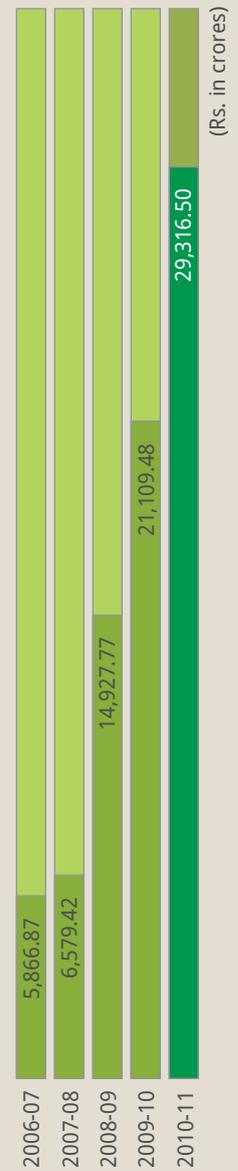
CASH PROFIT

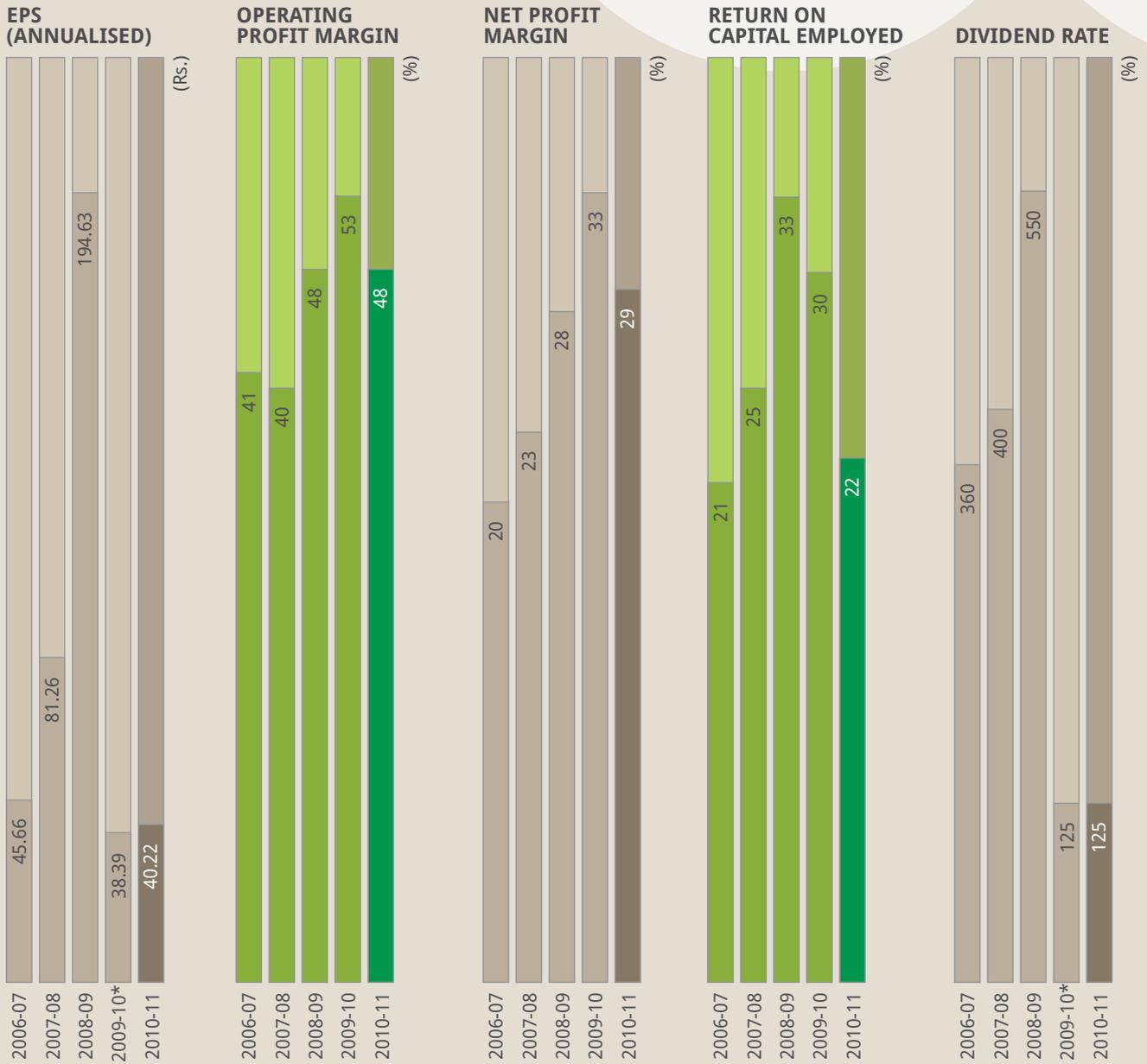


PAT



GROSS BLOCK





* JSPL allotted 775,651,530 bonus shares of Re. 1 each on 19.09.2009 in the ratio of 5 bonus shares for each existing equity share of Re. 1 and 929,869 equity shares against stock options during the year leading to an increase in the number of outstanding shares from 154,652,683 as on 31st March, 2009 to 931,234,082 as on 31st March, 2010. This has resulted in a lower EPS and dividend percentage.



The Visionary



Late Shri O.P. Jindal, *Founding Chairman*

In the late 1970s while India was a country still in quest of socio-economic resurgence, some were able to see opportunity in adversity and make the best of it. One such visionary was the company's Founding Father, Late Shri. O. P. Jindal – a man who believed in India's potential to grow in every significant sector. Today, of course, with the benefit of hindsight, it's easy to see how accurate his surmise was.

Jindal Steel and Power Limited (JSPL) is the product of this vision. It's no mean achievement that the company is now a multi-faceted organisation with substantial investments in steel, power, petroleum and mining.

A visionary who is remembered for his business excellence and social responsibilities alike, Shri Jindal believed that without inclusive growth a nation can never prosper. Thus, he spent a lot of time to help alleviate poverty and improve the living standards of the backward sections of the society.

A true Son of the Soil!

Our Inspiration



Smt. Savitri Jindal, *Chairperson Emeritus*

Our Chairperson Emeritus Smt. Savitri Jindal is an inspiration for each and every member of the JSPL family. She motivates each and every member of this widening fraternity to strive for greater heights of excellence in business and community support. Smt. Jindal is an ardent believer in business with a social purpose, and is a torchbearer of the legacy of our Founding Chairman, Shri O. P. Jindal. Apart from business responsibilities, she takes a keen interest in social initiatives to help transform the lives of the underprivileged sections of society. She has also been instrumental in driving JSPL's community welfare and environment protection initiatives across various project sites nationally and internationally. Besides, empowerment of people through education, employability and healthcare remain the key areas of her concern.



Chairman & Managing Director's message



Dear Shareholders,

The world is witnessing an interesting phase of transformation, towards an unprecedented realignment. I had indicated about this phenomenon in my last communication to you, and I would like to reiterate that we are moving towards a multi-polar world; a new socio-economic dispensation in which the emerging economies have a far greater role to play in shaping the future than ever before. India is the poster boy of this new era, attracting global attention and scrutiny. Twenty years ago, the Government of India initiated the intrepid step towards economic liberalisation, which eventually transformed India, and that process is still continuing. The economy has averaged 8% GDP growth in the last decade and per capita income has shot up from \$300 to \$1700 in two decades, accelerating domestic consumption and savings.

The inference: even with modest foreign capital inflows, India can now afford an investment rate of 36-38% of GDP, which can sustain 8-9% GDP growth in the foreseeable future. Besides, unprecedented economic development has enhanced government spending on socio-economic infrastructure. There has been another visible advantage: Indian businesses, including JSPL have successfully aligned their operations and mindset to global benchmarks, and have become multinationals in their own right. Something that was rare two decades ago.

Although India, China and Latin America witnessed considerable economic activity in 2010-11 the US and Eurozone economies registered sluggish recovery. These economies are now fraught with uncertainties and looming recessionary trends. Inflation represents the new global economic challenge, leading to a spiralling rise in prices of commodities, mineral resources and energy. The global steel industry has been impacted by the unprecedented increase in the price of iron ore and coking coal. Steel demand in advanced nations has been largely stagnant, while Asia enjoyed robust demands with China continuing its march at the top of the league.

India's steel industry has played a major role in driving the country's economic development. Over the decades, India's 'steelscape' has also evolved, characterised by global acquisitions, adoption of advanced technologies and modernisation strategies for cost rationalisation and energy efficiency, and finally backward integration into global raw material sources. The result is that India today is the world's fifth largest steel producer and is poised to emerge as the second largest by 2015. Although modest performance of India's construction and infrastructure sector in 2010, coupled with high input costs, has impacted the domestic steel sector, the long-term outlook remains robust. Firm international steel prices and strong domestic demand will drive domestic steel prices considerably. Besides, the

government's estimated infrastructure spending is expected to drive the steel demand. The share of the government's infrastructure spending as a percentage of GDP is expected to touch 9% by the end of the 11th Five Year Plan.

Although operating in a challenging macro-economic scenario, 2010-11 has been a busy and fruitful year for JSPL nationally and internationally. Domestically, we commenced operations at the wire rod mill and bar mill at our Patratu (Jharkhand) plant. Moreover, we have considerably enhanced domestic investments for the creation of additional capacities and capabilities to emerge as a significant player in the steel sector. Internationally, we are focusing on the acquisition of iron ore and coal mines in Australia, Indonesia, South American and African countries to ensure raw material security. I am also happy to report that the acquired Shaded Iron & Steel Co. LLC (SISCO), a Company incorporated under the laws of the Sultanate of Oman in 2010, through our 100% subsidiary Jindal Steel & Power (Mauritius) has been commissioned in record time and commercial operations began in December 2010, four months ahead of schedule. The Jindal Shaded plant was dedicated to the Nation of the Sultanate of Oman recently, by H.E. Sheikh Sa'ad Bin Mohammed bin Said al Mardhouf al Sa'adi, Honourable Minister of Commerce and Industry.

Allow me now to share with you our initiatives in South America: through our subsidiary Jindal Steel Bolivia S.A (JSB), we have acquired the development rights for 20 billion tonne of EL Mutun Iron Ore Reserves in Bolivia. Moreover, there are plans to build a 2.52 MMTPA natural-gas-based Midrex Direct Reduction Plant. This new plant will be the single largest module till date of any commercial direct reduction technology in the world. We also commenced dispatch of iron ore from the EL Mutun mines recently. Iron ore from here will be transported mainly to China, Middle East, European and South American countries through the Parana Paraguay Hidrovia riverway. This will be for the first time that iron ore from JSB will be exported.

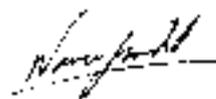
2010-11 was a financially rewarding year for JSPL, owing to higher steel production and sales, diversified product basket and extensive global reach. The consolidated income stood at Rs. 13,193.59 crores in 2010-11, compared with Rs. 11,152.82 crores in 2009-10. EBITDA increased to Rs. 6,398.59 crores in 2010-11 from Rs. 5,907.99 crores in 2009-10. Profit after tax escalated to Rs. 3,804.01 crores in 2010-11 from Rs. 3,634.56 crores in 2009-10. Our future strategy would be to sustain and improve upon this operational and financial performance, while remaining steadfast to deep-rooted values that have nourished the organisation since inception.

Energy represents a key input for steel making and the backbone for social advancement. We have

commissioned a 300 MW (2x150 MW)-phase-I, out of 600 MW (4x150 MW) power project at Dongamahua, Chhattisgarh to address the additional power requirements. We are setting up captive power plants as part of integrated steel plants at Angul (Orissa) and Patratu (Jharkhand) for meeting their power requirements. We have also forayed into wind energy-- currently operating a 24 MW wind mill in Maharashtra-- as a part of our commitment to a carbon-free world. Besides, Jindal Power Limited (JPL), a company promoted by JSPL, is planning to set up environment-friendly thermal and hydro power projects across India.

Despite our business priorities, our social commitment remains predominant. During the year under review, we enhanced focus on providing healthcare to the underprivileged, impart quality education to the children and youth and work towards women empowerment, livelihood, livestock care, population stabilisation, drinking water and sanitation, youth and sports and infrastructure development. We are equally steadfast in our commitment to a cleaner and greener environment, and as we go along we will enhance our green quotient in terms of acquisition of more environment-friendly technologies, encouraging green practices in our plants and host communities globally and above all generate awareness about global warming and climate change.

Values when actively pursued with deep conviction can generate tremendous wellsprings of energy and focus. This is the true spirit of JSPL. We believe business excellence is not an isolated enterprise. It is the outcome of integrity towards people and community, transparency towards stakeholders and an enduring commitment towards sustainable development.



Naveen Jindal

Chairman & Managing Director

Our future strategy would be to sustain and improve upon this operational and financial performance, while remaining steadfast to deep-rooted values that have nourished the organisation since inception.



Young and dynamic

Commenced operations in 1991, Jindal Steel and Power Limited (JSPL) is one of India's leading steel manufacturers with a significant presence in mining, power generation and infrastructure.



Vision

“To be a globally admired organisation that enhances the quality of life of all stakeholders through sustainable industrial and business development”.

Mission

We aspire to achieve business excellence through:

- The spirit of entrepreneurship and innovation
- Optimum utilisation of resources
- Sustainable environment friendly procedures and practices
- The highest ethics and standards
- Hiring, developing and retaining the best people
- Maximising returns to stakeholders
- Positive impact on the communities we touch

Values

We aspire to achieve business excellence through:

- Passion for People
- Business Excellence
- Integrity, Ownership and Sense of Belonging
- Sustainable Development

Core capacities





Clean, green and serene steel plant at Raigarh, Chhattisgarh

JSPL at a glance

Listings

- Listed on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE) in India
- **NSE ticker:** JINDALSTEL, **BSE ticker:** 532286, **Bloomberg:** JSP@IN and **Reuters:** JNSP.BO

Accreditations

- Quality management system - ISO 9001:2008, ensuring stringent quality protocol
- Environmental management system - ISO 14001:2004, testifying to superior environmental norms
- Occupational health and safety management system - OHSAS 18001: 2007, creating a safe work environment



Geographic diversity

- Corporate office at New Delhi, India
- Manufacturing plants located at Raigarh in Chhattisgarh, Angul in Orissa and Patratu in Jharkhand. The Machinery division is located in Raipur
- Captive coal mines are located at Dongamahua and Tamnar, Chhattisgarh, iron ore mine at Tensa, Orissa and iron ore pelletisation plant at Barbil, Orissa
- Offices located at seven locations and 11 stockyards, ensuring a pan-India footprint
- Global presence in Brazil, Bolivia, Georgia, China, Mongolia, Mozambique, Democratic Republic of Congo, Indonesia, Madagascar, South Africa and the Sultanate of Oman

Technology collaborations

- SMS Siemag, Germany
- Lurgi, Germany
- Danieli, Italy
- Siemens VAI, Austria
- Concast, Switzerland
- Outotec, Germany



View of steel plant at Raigarh, Chhattisgarh

Future expansions

7 MTPA

Steel plant at Raigarh,
Chhattisgarh

3,720 MW

Thermal power plant
in Chhattisgarh

6 MTPA

Steel plant at Angul,
Orissa

1,142 MW

Power plant at Angul,
Orissa

6 MTPA

Steel plant at
Patratu, Jharkhand

5,280 MW

Thermal power projects
in Jharkhand



6,100 MW

Hydro power projects in Arunachal Pradesh

80,000 BPD*

Coal to Liquid project at Angul, Orissa

*barrels per day

2 MTPA

Steel plant in Bolivia

650 MW

Gas based power plant in Bolivia

10 MTPA

Iron ore pelletisation plant in Bolivia

6 MTPA

DRI plant in Bolivia



Group companies



	2010-11	2009-10
Capacity	1,000 MW	1,000 MW
PLF	98.14%	93.01%
Turnover	Rs. 3,337.73 crores	Rs. 3,921.90 crores
PAT	Rs. 2,001.60 crores	Rs. 2,318.76 crores



1,000 MW O. P. Jindal Super Thermal power plant at Tamnar, Chhattisgarh

Jindal Power Limited

Jindal Power Limited (JPL) has been contributing significantly to the growing needs of energy in the country. JPL has set up India's first mega power project of 1,000 MW in the private sector at Tamnar, Raigarh, Chhattisgarh. The organisation plans to add a 2,400 MW thermal power plant to the existing capacity of the 1,000 MW at Tamnar. It has signed an MoU with the state government of Jharkhand to set up a 2,640 MW thermal power plant. JPL has signed agreements for 6,100 MW hydro power projects in Arunachal Pradesh in joint venture with the Hydro Power Development Corporation of Arunachal Pradesh Limited (HPDCAPL) on a build, own, operate and transfer basis. The Company's vision is to establish a presence in other forms of energy (gas, wind, nuclear and solar) with a focus on hydro and other forms of environment-friendly renewable energy sources. JPL will set up captive power plants (2,640 MW) in Jharkhand for its promoter company Jindal Steel & Power Limited.



Exploration activity in process at Georgia

Jindal Petroleum Limited

As part of its diversification process, in 2008, the Group forayed into the oil and gas sector, operating under Jindal Petroleum Limited. The organisation has acquired five oil and gas blocks in Georgia.

Extensive exploration activities are in progress across all the five blocks in Georgia. The major exploration activities comprise: acquisition, processing and interpretation of 388 sq. km of 3D seismic data by Global Geophysical Services (USA), Weinman Geosciences (USA) and RPS Energy (UK). Based on the interpretation of data, locations for three exploratory wells have already been finalised. Drilling of exploratory wells is expected to commence from the third quarter of 2011-12.

Thermal imaging and spectroscopy study for two blocks completed by the University of Houston (USA). A 2D seismic data acquisition is in progress in two blocks. Jindal Petroleum produced more than 100,000 bbl of crude oil from one of the producing fields. It also plans to complete at least two exploratory wells in 2011-12 and eight producing wells by 2012-13.



Jindal Cement plant at Raigarh, Chhattisgarh

Jindal Cement

JSPL has diversified its business operations and set up a slag and fly ash cement plant at Raigarh, Chhattisgarh in order to utilise the waste from steel making. Phase I consisted of constructing a grinding unit of 0.5 MTPA, whereas Phase II consisted of setting up a 2 MTPA integrated cement plant. The cement plant was envisaged to manage solid waste generated from the power and steel sector. The utilisation of waste from the blast furnace (slag) is being value-added by converting it into cement, commonly known as Portland Slag Cement (PSC). The commercial production started from the 0.5 MTPA grinding unit in 2010. It is marketing cement under the brand name of 'Jindal Cement'.

The organisation is also making a special product --- Jindal Global Road Stabiliser (JGRS) --- for which it is the first and the only manufacturer in India. A pioneering product of innovation, JGRS was developed to stabilise a wide spectrum of soil in an efficient and cost-effective manner.



Jindal Infosolutions Ltd.

Jindal Infosolutions Ltd. (JIL), a company formed with the objective of providing high quality IT services to JSPL, its group companies and external client in India and abroad provides support to 7 plant locations in India and 15 global locations across Oman, South Africa, Mozambique, Congo, Georgia and Bolivia. JIL specialises in sectors like steel, power, oil and gas, reality and education and has competencies in SAP, project management, business intelligence, supply chain management, document and knowledge management, voice over IP and full scope software development on Java and PHP. JIL has a global service delivery center where it provides remote infrastructure and applications support globally. One of the earliest adaptors of cloud technology in India, it is deploying a large number of enterprise class applications on private cloud.



Our products cater to diverse industry needs, widening visibility and brand recall



Rails (121 metres)

Application areas

Railway tracks for high-speed trains, railway sidings of power plants, refineries, cement, fertiliser and steel plants. Crane rails for ports and harbours, factories, mines, launch pads and shipyards.



Parallel Flange Beams

Application areas

Refineries, airports, flyovers, metro rail projects, shopping malls, power plants, stadiums, cement & steel plants, industrial sheds, among others.



Medium and Light Structural Mill

Application areas

Power sector, Infrastructure constructions, steel and cement plant construction, transmission line tower/telecom line towers, fabrication, bus/truck bodies, electrical towers (SEB/Railways), Industrial Sheds, Commercial & Individuals houses, among others.



Plates and Coils

Application areas

General engineering, structural fabrication, hi-tensile and micro-alloyed grades, pressure vessel and boilers, bridges and flyovers, corrosion resistant applications, railway wagons, oil & gas pipe lines and shipbuilding.



Fabricated Structurals

Application areas

Large support columns and beams for manufacturing and process plants, airports, high-rise buildings, power plants, stadia and flyovers.



Wire Rods

Application areas

Fasteners, bolts, rivets, screws, general purpose wires, electrode wires, industrial wires, agriculture wires, CAQ, bush wires, chain rivet wires, detonator wire, umbrella ribs, upholstery wires, cycle spokes, heald wires, staple pin wire, ACSR, tyre and hose reinforcement wires, pre-stressed concrete wire, springs and rope wires, needle wires, safety-pin wires, ball bearing, card clothing wires, vineyard wires, earth wires, screw, fasteners, bush, spline, socket, connecting rod, shaft, gear, rivets, engine shaft, connecting rod, spindles and gears.



TMT Bars from Rebar Mill

Application areas

Concrete re-enforcement structures, bridges, flyovers, dams, skyscrapers, industries, roads and tunnels; used in coastal areas due to corrosion resistance and in earthquake zones.



**JSPL
GIVES ME
CONFIDENCE**
to create better earthquake resistant designs



Your one stop shop
for structural steel

Email : marketing@jindalsteel.com



**JSPL
GIVES ME
SAVINGS**
by using less steel



Your one stop shop
for structural steel

Email: marketing@jindalsteel.com



**JSPL
GIVES ME
FLEXIBILITY**
to build better & safer



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Awards and accolades

- Shri Naveen Jindal was declared one of the top 10 CEOs of India Inc. in 2011
- JSPL is rated as the second highest value creator in the world by Boston Consulting Group
- JSPL ranked fourth as per total income in the Iron and Steel sector by Dun & Bradstreet. The organisation secures 39th rank in Business World BW 500 rankings and also ranked as 15th 'Most Profitable' and 18th in 'Highest Market Capitalisation' category, November, 2010



Shri Naveen Jindal, Chairman & Managing Director, JSPL receiving the Ernst and Young Entrepreneur of the Year award for 2010 in the field of Energy and Infrastructure

- Jindal Steel and Power Limited won the National Energy Conservation Award 2010; an elevated recognition in the integrated steel plant sector
- Shri Naveen Jindal bagged the Ernst and Young Entrepreneur of the Year award for 2010, for his significant contribution in the field of Energy and Infrastructure
- JSPL was accorded the 'Think Orissa Leadership Award' for excellence in CSR



Shri Rajesh Jha, ED (Angul) receiving the Think Orissa Leadership Award for 2010



JSPL being awarded Srishti Green Cube Award 2010



Shri Sushil Maroo, Dy. MD of JPL and Group CFO receiving the Forbes Asia's "Fab 50" international award at a fution in Bangkok, Thailand



JSPL honoured by Times of India Group with the Green Crusader Award 2011 for its efforts in the field of Community Driven Natural Resource Management in Orissa.



Jindal Steel and Power Limited won the National Energy Conservation Award 2010



Enhancing capabilities

Iron ore mine	3 MTPA
Coal mine	12 MTPA
Pellet plant	5 MTPA
Sponge Iron (Coal based)	1.37 MTPA
Sponge Iron (Gas based – Oman)	1.50 MTPA
Hot metal (Pig iron)	1.65 MTPA
Steel	3 MTPA
Rails, Beams and Structural	0.75 MTPA
Plates and coils	1 MTPA
Medium section mill	0.60 MTPA
Wire Rods	0.60 MTPA
Re-bars	1.00 MTPA
Total captive power	759 MW
Wind power	24 MW
Jindal Power Limited	1,000 MW

Raigarh, Chhattisgarh

JSP's state-of-the-art steel plant at Raigarh, Chhattisgarh, can produce up to 3 million tonne steel. Equipped with modern machinery, the plant boasts of world-class production facilities. This plant has the world's largest coal-based sponge iron manufacturing facility.

Key highlights, 2010-11

- In-house development of break-out prediction system in collaboration with Rockwell Automation and IIT-Kanpur at one fifth the cost of imported technology
- New straightening machine installed to straighten beams beyond 700 mm; technology and equipment sourced from SMS-Meer
- New steel developed for corrosion resistant structural application
- BF grade coke moisture content achieved less than 5%; substantial savings in coke consumption at Blast Furnace - II
- 44 new grades of steel developed

Projects under implementation

- 2X150 MW power plant - completion in 2011-2012
- 4x600 MW power plant
- 2 MTPA cement plant
- One more CTL line in plate mill
- Normalising furnace in plate mill



Steel pouring process



Research and development achievements

- A water modelling study of near-net-shape caster to reduce tundish skull and improving steel cleanliness in collaboration with IIT, Kanpur
- A study to minimise accretion by use of Spinnel and Chrome ore fines in coal-based rotary kilns
- A study for the development of weather-resistant structural steel
- Evaluation of coking coal from Mozambique and Zimbabwe
- Process capability study of rails through Six Sigma has helped improve the acceptability of rails
- A study on the role of chemistry and inclusions on fracture toughness of Track Rails
- Process capability studies on Blast furnace 2 performance parameter through Six Sigma
- Finding the effects of South African PCI Coal use with Australian PCI Coal in blast furnaces



R&D activity in process at a laboratory in Raigarh steel plant at Chhattisgarh



Fabrication in process at Punjipathra, Raigarh, Chhattisgarh

Accreditations

Certification received

- GL approval for ship building quality plates
- RDSO approval for supply of plates and rails
- BIS approval of medium and light structural mill products
- PGCIL approved for structural steel

Certification applied

- DNB, NKK, IRS approvals for ship building quality plates
- High tensile and copper bearing grades endorsement in RDSO approval
- Endorsement of above 40 mm boiler quality plates in IBR approval
- BIS certification for IS 2002 grade of plates



CNC Plano Milling Machine at Raipur, Chhattisgarh

Raipur, Chhattisgarh

JSP's Heavy Machinery Division at Raipur in Chhattisgarh offers state-of-the-art manufacturing facility. Ready with modern equipment and top-notch capabilities, this facility is for the manufacture of equipment and spares required for steel plants coming up at different locations.

Apart from catering to the needs of the Raigarh plant, the machinery division has upgraded its manufacturing facilities to meet the requirements of other units of the Jindal group. It also caters to the requirements of other industries in the vicinity.

Key highlights, 2010-11

- Successfully supplied De Gasser Vessel Dome in 15 days time for SMS-II
- 700 tonne of mechanical equipment supplied for SMS-III Billet Caster for Raigarh
- Supplied Guides and Stripper for MLSM for Channel-200 mm, Channel Angle-75 mm, Angle- 130 mm, Angle-100 mm sections within 15 days
- Bagged export order worth Rs. 1.05 crores from Tenova, Italy (M/s. Arcelor Mittal, Europe) for the supply of furnace equipment
- First ever export order from M/S METALOK for supply of Machining Bed
- Developed S.G. Iron Rolls in the foundry for the first time and successfully supplied to Nalwa Steel Plant
- Successfully designed and manufactured 28 tonne tong for the first time at Raipur Plant



Wire Rod Mill at Patratu, Jharkhand

Patratu, Jharkhand

We are setting up an integrated steel plant in Patratu, Jharkhand; orders for major technological packages have been finalised and in certain cases orders have been placed. The steel plant is expected to be commissioned in the second half of 2014.

Key highlights, 2010-11

- Commenced operations of the wire rod mill and bar mill. Achieved highest production of 26,714.806 MT of wire rods in July 2011. The rejection rate was at minimal levels

Major grades produced are:

- | | | |
|----------------------|------------------------|---------------|
| ■ HC, 36-40 to 81-85 | ■ TB 68 | ■ CAQ |
| ■ SWRH 62A | ■ SAE 1008, 1010, 1018 | ■ CHQ (10B21) |
| ■ PSC 116 | ■ EQ, MIG, JSPL WELD | ■ EN1A |

The first billet discharged from furnace and the first bar bundle despatch took place in March 2011. The Mill is designed to produce TMT bars from 8 mm to 40 mm, angles from 50x50 mm to 90x90 mm and plain rounds (forging grade) and RCS.



Our project expansion demonstrates our growing strength

7 MTPA

Integrated steel plant with captive power plant

Raigarh, Chhattisgarh



Medium & Light Structural Mill at Raigarh, Chhattisgarh

6 MTPA

Gas based DRI with matching Coal Gasification unit

4 MTPA

Hot metal

3 MTPA

Steel making facilities (EF Route)

4 MTPA

Steel making facilities (BOF Route)

4 MTPA

Long products

3 MTPA

Flat products

1,320 MW

Captive power plant

Patratu, Jharkhand

6 MTPA

Integrated steel plant with captive power plant



Walking Beam Reheating Furnace at Bar Mill, Patratu, Jharkhand

6 MTPA
Blast furnace

6 MTPA
Steel making facilities (BOF Route)

3 MTPA
Flat products

3 MTPA
Long products

Angul, Orissa

6 MTPA

Integrated steel plant with captive power plant

JSPL is at an advanced stage of project implementation. All major orders for engineering, equipment supply and construction works have been placed. The target date for commissioning of steel plant (Phase -I) is March 2012.



R&R Colony at Angul, Orissa

4.5 MTPA
Coal gasification and Syn. gas based DRI

3 MTPA
Blast furnace

6 MTPA
Steel making facilities

6 MTPA
Flat products (Plates and HR coils)

810 MW
Power



People potential

More than capital. More than technology. It's our people who set us apart in a competitive business scenario. JSPL is committed to create and sustain a high-performance work culture, with people at the heart of all strategy.

HR awards

Talent Management leadership Award at Royal Garden Hotel, London in Talent 2010

Global HR Excellence Award 2010-11 in the category of Institution Building

Global HR Excellence Award 2010-11 in the category of Innovative HR Practices



18th Global HR Excellence Awards at the World HRD Congress in Mumbai



HR training in progress



Employee facilities at the Raigarh steel plant, Chhattisgarh

To sustain the organisational growth trajectory, JSPL is proactively focusing on the following:

- We are acquiring, developing and nurturing high-potential talent. Graduates from IIMs, IITs and NITs are recruited at entry level; lateral hiring is also conducted globally
- We formulated a leadership capability development programme to identify and groom future leaders by designing and implementing Individual Development Programme (IDP)
- In addition to structured learning input to entry-level employees (through classroom, On-the-Job Training, action learning and self-paced e-learning modules), need-based technical training on project management and environment management are imparted continuously across all hierarchies and locations
- To retain the best of talent, target-rating distribution and rewards are meticulously adhered to.
- Close interaction across all employees is encouraged.
- Conducive people policies (housing, healthcare) are adopted by the management to enhance retention





Global reach



Bolivia

Sound business

Clear strategy

Well governed

Strong financials





Shri Vikrant Gujral, President JSB and Group Vice Chairman & Head Global Ventures of JSPL, flagging off the dispatch of iron ore from its EL Mutun mines in Puerto Aguirre in the presence of dignitaries of the government of Bolivia, local and administrative authorities



Bolivia

South America

JSPL has, through a subsidiary company, Jindal Steel Bolivia, S.A., acquired the development rights for 20 billion tonnes of EL Mutun iron ore reserves in Bolivia, and plans to invest US\$ 2.1 billion in the next eight years.

EL Mutun

Project highlights

Plan to build a 2.52 MMTPA natural-gas-based Midrex Direct Reduction Plant. The new Midrex Plant will be the single largest module till date of any commercial direct reduction technology in the world and will be named as Naveen Ultra Mega Midrex Module.

Site work commenced and iron ore mining in progress

Commenced transportation of iron ore to a river port in Bolivia from where it will be exported through the Parana Paraguay Hidrovia riverway.

Gas supply agreement with YPFB will be finalised by September 2011

Power requirement to be fulfilled by a 650 MW natural gas based Power Plant operating in island mode

IDOM, Spain has been finalised as the consultant for the Steel Plant.

Environment clearance for Mining and Beneficiation has been obtained.

All major packages for the project will be finalised by October 2011



Jindal Shadeed Iron & Steel plant at Oman, Asia



Oman

Asia

- JSPL acquired Shadeed Iron & Steel Plant with effect from 2nd July 2010.
- Jindal Shadeed plant was dedicated to the nation of Sultanate of Oman on 30th May 2011
- Jindal Shadeed began production in Oman in record time, production started within four months of being acquired and four months ahead of schedule
- Facility engineered by Kobe Steel (Japan) and Midrex (USA) technology
- Capacity of 1.5 MTPA DRI module (Midrex) plant
- Total Capital Expenditure of about USD 525 million
- Order finalised for 2 MTPA of Steel Melting Shop with Danieli as technology supplier and IDOM as engineering consultant.



Kiepersol Colliery Mines near Piet Retief in Mpumalanga, South Africa



Shri Naveen Jindal, CMD, JSPL visiting the site in Mozambique



South Africa

Africa

- Operating companies: Jindal Africa Investments (Pty) Limited; Eastern Solid Fuels (Pty) Limited and Jindal Mining SA (Pty) Limited
- Operating the Kiepersol Colliery near Piet Retief in Mpumalanga
- 20 MT recoverable reserves; annual production capacity of 1.2 MTPA
- Exploring acquisition of more coal, iron ore, manganese and chrome mines
- Investing in shipping infrastructure (ports)

Mozambique

Africa

- Coal mine at Tete province (Western Mozambique) covering 25000 Ha
- Mining agreement signed in January 2011
- Coking coal and thermal coal deposits being explored.
- Estimated investment: USD 180 million in five years
- Mine expected to be operational by March 2012



Shri Naveen Jindal, CMD, JSPL and Co-Chairman Indo-Australia CEO's forum visiting Canberra (Australia) as part of a delegation including Shri Anand Sharma, Hon'ble Minister of Commerce and Industry of India (second from right) to meet Ms Julia Gillard, Hon'ble Prime Minister of Australia



Australia

- Grant of four coal Exploration tenements (EPC 2070, EPC 2024, EPC 2005 and EPC 2172) by Queensland Department of Employment, Economic Development and Innovation (DEEDI)
- Initiated the plans for exploration programme of these tenements and also started preliminary discussions with rail and port infrastructure authorities
- Looking for investment in advance coal projects in Australia. In a recent open offer for a coal exploration company Rockland Richfield Limited (RCI), JSPL has increased its share holding to 27.29%
- RCI has three advanced coal exploration projects with more than 750 MT of JORC compliant coal resources (Inferred/indicated) in Queensland with potential for coking/soft coal
- The Company has its office in Brisbane which is coordinating these exploration activities



Indonesia

Asia

- Coal Mining License obtained in 2009 for 10 years till March 2018
- Total concession area of 51 sq. km in Barito Regency in Kalimantan
- Coal deposits are estimated over 250 MT for open-cast operation
- Permit received from the Ministry of Forest for the entire concession area
- MOU signed with Bupati Barito Timur for SSG to develop road for coal hauling
- Land acquisition process for 215 Ha for the first phase of mining initiated
- Acquired 17.7 Ha land for development of captive coal terminal for barge loading at Barito River & for the development of a Coal Terminal for captive use. Approvals are being obtained for construction
- Production to commence in 2011-12

Responsible partnerships

Excellence at JSPL is not restricted to our businesses; it encompasses community partnership and respect for the environment.



O. P. Jindal School, Raigarh, Chhattisgarh



Children in a jubilant mood at O. P. Jindal School at Raigarh, Chhattisgarh

Our areas of intervention include the following:

Educational initiatives

Shri Naveen Jindal, CMD of Jindal Steel & Power Limited (JSPL) recognises education as one of the building blocks of any nation and has embarked upon multiple initiatives in this regard. Our educational initiatives aim at imparting education with a view to produce world class professionals, scholars and academicians in various disciplines. The organisation lays special emphasis on the quality of education being imparted at all its educational institutions. It aims to nurture young minds and educate them, so that they contribute to the nation's development. Some of the important benchmarks comprise:

imparted to over 10,000 students. O.P. Jindal School, Raigarh was established in 1996 inside the premises of the Jindal Colony. It has been certified as ISO 9001-2008 by IRQS and possesses all modern facilities for various sports, such as horse riding, swimming and yoga. Other than excellence in the schools' internal examination and inter-house activities, the students have brought laurels to the school in different fields. Our schools emphasise on holistic development of their students to meet the challenges of the modern world. They lay special emphasis on discipline, character building and inculcation of human values in order to promote national integration and foster international understanding and brotherhood.

O.P. Jindal Schools

JSPL is running co-educational schools at Raigarh, Tamnar, Nalwa, Angul & Patratu where quality education is being





O.P. Jindal Institute of Power Technology at Tamnar, Raigarh, Chhattisgarh

O.P. Jindal Global University (JGU)

It is a non-profit global university established by the Haryana Private Universities (Second Amendment) Act, 2009 at Sonapat, Haryana (NCR of Delhi) through an initiative of Shri Naveen Jindal. The University Grants Commission (UGC) has notified JGU as a private university established by the state legislature of Haryana. JGU is recognised by the Bar Council of India (BCI). At present, JGU has three schools, the Jindal Global Law School (JGLS), the Jindal Global Business School (JGBS) and the Jindal School of International Affairs (JSIA). JGLS was the first school to be established in JGU in 2009. It offers B.A. LL.B., LL.B. and LL.M. courses. Jindal Global Business School (JGBS) was set up in 2010 and offers MBA programmes. The Jindal School of International Affairs (JSIA) is the latest addition to the JGU family. It offers M.A. in Diplomacy, Law and Business. JGU has academic collaborations, exchange programmes and research partnerships with various international universities like the United Nations University, Harvard University, Yale University, University of Michigan, Cornell University, New York University, King's College London and the University of Cambridge. JGU is going to establish its fourth school, Jindal School of Government and Public Policy in 2012.

O.P. Jindal Institute of Power Technology (JIPT)

It is recognised by Central Electricity Authority (CEA), Ministry of Power as category-I Institute. It is promoted by the Jindal Education and Welfare Society. The Institute offers a Post Graduate Programme in Thermal Power Plant Technology (PGPTPT) and a Post Diploma Programme in Thermal Power Plant Technology (PDPTPT). It aims to produce technically trained professionals for power utilities in India and abroad and prepares students to operate or undertake maintenance of power generating stations of 100 MW and above capacity. JIPT is located inside the thermal power plant at Raigarh, Chhattisgarh and possesses a dynamic full-scale replica simulator of 250 MW unit.

O.P. Jindal Institute of Technology (OPJIT)

It is an engineering college affiliated to Chhattisgarh Swami Vivekananda Technical University and is recognised by AICTE, Ministry of Human Resources Development, Government of India. It is located at Punjipathra in Raigarh, Chhattisgarh. It offers four-year Bachelors Degree in Mechanical, Electrical & Electronics,

Civil, Metallurgy and Computer Science Engineering. The institute has been established with an objective to impart quality education and train the youth for the challenges of an evolving India. It is committed to innovative learning methodologies, constant improvement, cultivation of practical skills and an unwavering adherence to academic quality. The institute has knowledge sharing and exchange programmes with various industries that provide faculties and students an opportunity to interact with the best academic and industry talent. OPJIT is spread across 34 acres of eco-friendly, lush green hi-tech campus equipped with all modern infrastructural facilities.

O.P. Jindal Community Colleges (OPJCCs)

Focused on nation building, O. P. Jindal Community College (OPJCC) opened its doors in 2007 “to promote lifelong learning of vocational skills for all, irrespective of age, caste, creed, gender, prior education, and socio-economic environment.” OPJCC offers over 37 technical vocational programmes on five campuses located in Angul and Barbil (Orissa), Godda and Patraru (Jharkhand), and Punjipathra (Chhattisgarh), four Industrial Training Institutes (ITIs) under the Public Private Partnership (PPP) Scheme of the Government of India. OPJCC programmes, recognised by IGNOU Community College Scheme, include building and

construction trades, automotive repair, air conditioning and refrigeration, electronics, computer networking, welding, electrical wiring (industrial and home), tailoring, and metallurgy. OPJCC courses include both theory and practical, hands-on training aligned with industry standards and expectations. OPJCC has experienced instructors delivering high quality, relevant, modular courses leading to a certificate, diploma, and associate’s degree awarded jointly by OPJCC-IGNOU.

Over the next five years, OPJCC will enroll over 100,000 vocational education students. By identifying specific high growth and high demand labour market sectors, the targeted education and skills training goals are realistic and attainable. OPJCC is unique among community colleges in India in that it demonstrably values affordability and open access. Merit and need-based scholarships are available and all literate students, including school dropouts, may enroll. Working with a diverse population of students is challenging and a national necessity due to the high percentage of young adults without formal education and training. As an emerging comprehensive community college, OPJCC strategies and principles cater to students’ needs in order to support programme completion and student employability and mobility.



O. P. Jindal Community College at Angul, Orissa



Chhattisgarh

Raigarh

CSR activities at the Raigarh plant have primarily been focusing on health, education and women empowerment, sports, art and culture, infrastructure development, skill development and raising employability in 24 adopted villages around the periphery of the Raigarh plant. Jindal Hospital, Jindal School, Jindal Institute of Technology, 'Asha - The Hope' school for the differently abled, computer labs, musical fountain, auditorium, management of three ITIs (through public private partnership) and Institute Management Committee (IMC) collectively comprise JSPL's social commitments.

Key initiatives are as follows:

Community health

- 3,445 persons were examined and treated through multi-speciality mega-health camps organised at different places. The mobile medical van has been operational round the year and about 8,335 persons were examined, treated and provided with free medicines
- Conducted 32 behavioural change communication and awareness camps (skit plays) on population control and family planning, under the National Population Control Programme. A total of 2,701 operations for permanent sterilisation were conducted in collaboration with the government health departments in different blocks of Raigarh



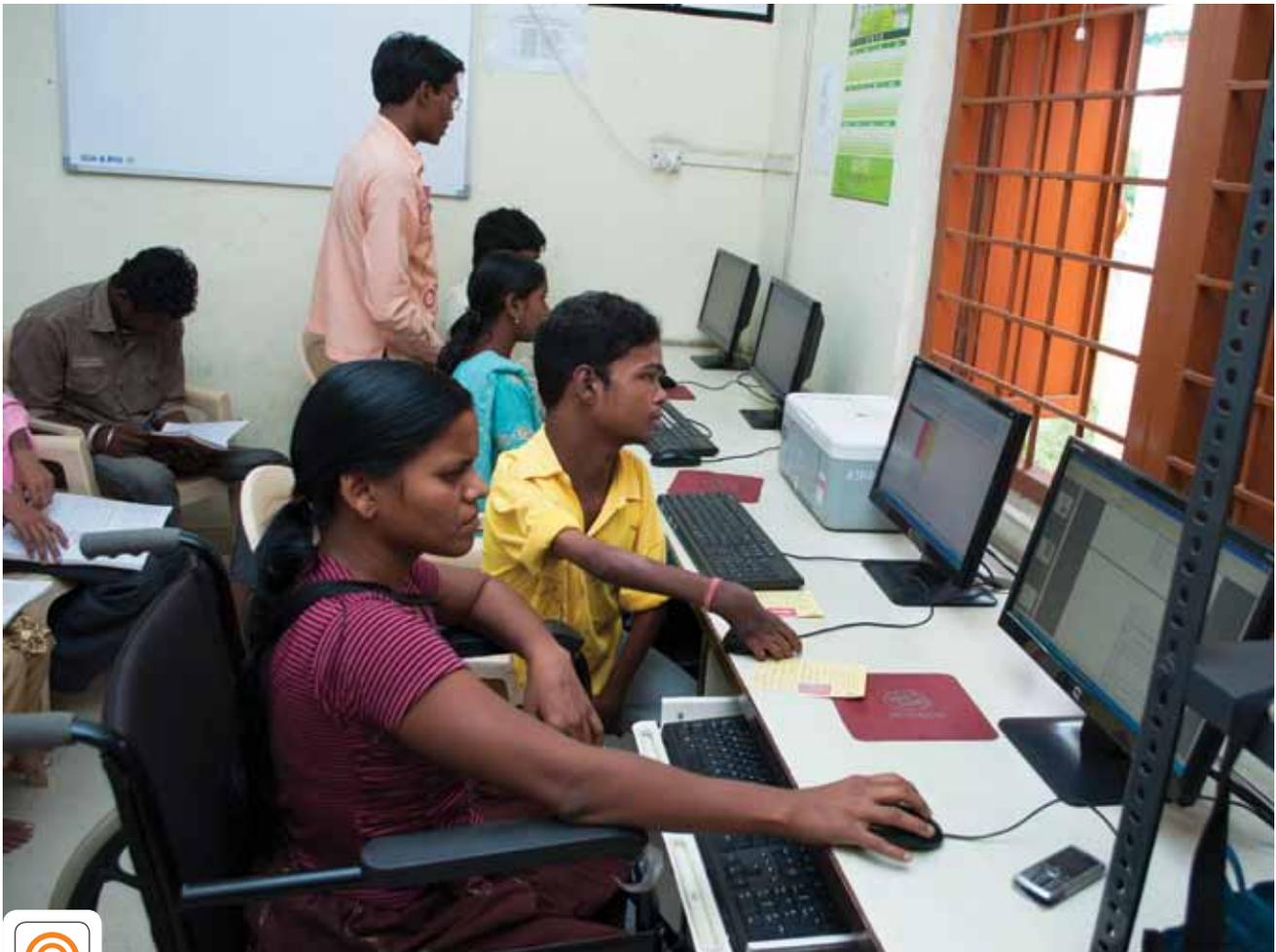
Health camp organised at Kosampali in Raigarh, Chhattisgarh

- Provided financial support to 230 beneficiaries for critical cases like heart, kidney and other surgical procedures
- Operated 79 patients for cataract under the blindness eradication programme
- 3,517 persons were operated for hydrocoel and hernia; operations were conducted in collaboration with the Government health department. The camp registered the highest ever record of hydrocoel and hernia operation in any district of Chhattisgarh, a feat appreciated by the Chief Minister with a Memento.
- 35 awareness programmes on HIV and AIDS for truckers and migrant labour, were organised. Free distribution of condoms was also undertaken

- Conducted voluntary blood donation camps; 116 units of blood was collected

Rehabilitation and empowerment of persons with disabilities

- Our mission is to initiate sustainable community-based rehabilitation programme for differently-abled people through 'ASHA – The Hope'
- So far 2,780 persons with disabilities have been registered; of which 860 persons benefited from rehabilitation
- 948 beneficiaries were provided with aids & appliances (wheel chair, hearing aids, among others)



Rehabilitation and empowerment of students through "ASHA-The Hope" at Raigarh, Chhattisgarh



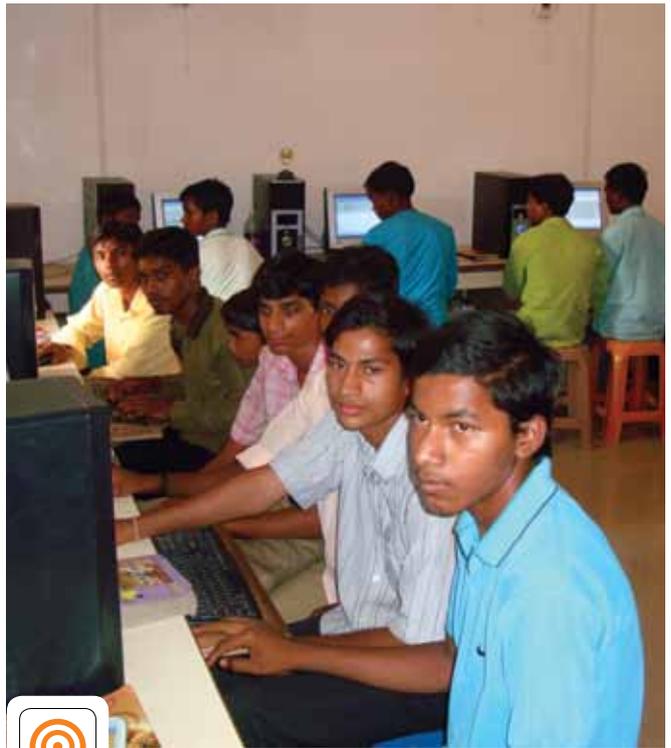
Urdana Transit Hostel at Raigarh, Chhattisgarh

Education

- 83 community teachers were sponsored, benefiting 40 government schools and about 8,000 students residing in villages located on the periphery of the plant
- Provided financial support to 19 meritorious students for professional education, computer education to 82 students with special focus on ST/SC students and a computer lab was set up in a higher secondary school
- Seven adult literacy centres were set up, benefiting 271 women
- Provided special coaching to 285 students (10+2) preparing for Engineering, Medical and other examinations

Infrastructure development

The following infrastructure development jobs were executed: 1,230 metres of road, two community halls, 15 water tanks, 2,160 metres school boundary wall, 40 bore wells, excavation and deepening of three ponds, four cultural stages, two heritage buildings, three box culverts, four new school buildings, 180 sq. feet of platform, 2,000 sq. feet community hall and gymnasium hall, 1,600 sq. feet veterinary hospital building, 4,000 sq. feet Urdana Transit Hostel, infrastructure facilities (drinking water facilities, toilet, furniture and fixtures) in 15 schools.



"UDDAN" - Project on Computer Education



Stitching training centres at Raigarh, Chhattisgarh

Sustainable livelihood

- 24 women Self Help Group (SHG) members trained in mushroom cultivation
- 320 women trained in stitching and cutting (tailoring)
- One year nursing assistant course for 20 girls, 27 women SHG members were trained in Kosa Silk, 30 girls and women trained in soft toys making, 20 women underwent training in office file and folder making



Mines area

Tamnar (Raigarh)

CSR activities at Mines have been focusing on health, education and women empowerment, sports, art and culture, infrastructure development, skill development and employability in 18 adopted villages around the Mines periphery (IV/1 and IV/6 coal block). Jindal Community Health Centre, O.P. Jindal School Kunjemura etc. comprise the social commitments

Community health

- 2,296 persons have been examined and treated through mega health camps organised at different places in the mines area
- A mobile medical van and Hukradeepa Health Centre (with X- ray and Lab facility) has been operated and about 12,609 persons examined
- Treated (including, RTI, STI treatment, anemia correction for adolescent girls through school health check-up camps, antenatal care (ANCs), family planning counseling), and provided medicines free of cost to the beneficiaries

- 46 units of blood were collected from voluntary blood donation camps
- Financial support to 154 beneficiaries for critical cases viz. surgery, heart & kidney surgeries
- Livestock care to 4,011 domestic animals through animal husbandry camps in collaboration with the government veterinary department at adopted villages in the mines area

Education

- Running O.P. Jindal School (primary wing) for the children of IV/1 and IV/6 mines area of Tamnar, which is now being extended to the Junior High School level
- 30 Community Teachers were sponsored benefiting 21 government schools and about 3000 students in the periphery villages in the mines area
- Financial support was given to 12 meritorious students from the mines area for professional education



Students at Laboratory at O.P. Jindal Thermal Power School at Urjanagar, Tamnar, Chhattisgarh

- Computer education provided to 54 students of the mines area with special focus on ST/SC students
- Started 3 adult literacy centres benefiting 116 women at villages adopted in the mines area

Infrastructure Development

Under infrastructure development 820 Mtrs. CC road, 10 water tanks, 1440 Mtrs. school boundary wall, 12 bore wells, excavation and deepening of 2 ponds, 2 heritage buildings, 3 box culverts, 4 new school buildings, 800 sq. ft. gym hall, infrastructure facilities in 10 schools, such as drinking water facilities, toilet, furniture and fixtures and a Trauma Centre Building at Punjipathra were executed.

Sustainable Livelihood

- 30 SHG members are augmenting their income through Donapattal (leaf plates) making
- 213 women trained in stitching, cutting (tailoring)
- Trained 25 youth in repair and maintenance of home appliances, 30 youth in driving and 40 youth trained as electrician, fitter and welder

Sports, art and culture

- Undertook PICA sports tournament, two days district level women's sports tournament, state level Kushti championship, district level sport tournament in collaboration with Nehru Yuva Kendra and inter village Kadaddi tournament
- Also organised classical dance (Kathak and Odissi), drama, comedy, local folk arts, singing, drawing and painting competition, Diwali milan and Holi Milan, among others
- Sector and block level inter school sports, volleyball tournament organised at the mines area
- Karate (Marshal Art) training for school going girls of Dhourabhata villages at the mines area
- Sua dance (tribal dance) competition organised at the mines area
- Two days district level women sports tournament at the mines area



Inter Village Kabaddi Tournament at Kirodimalnagar, Raigarh, Chhattisgarh



Aashirwad Project (participation and support in marriage of daughters)

Jharkhand

Women empowerment and livelihood

- Supporting 270 women by imparting various income generation trainings
- Nurturing and monitoring of 38 SHG (Self Help Group)
- Facilitation of mushroom cultivation by SHG

Health

- Organised four mega health camps and referred 20 patients
- 24x7 emergency ambulance service to the villagers
- 3 condom dispensing machines have been installed to promote family stabilisation programme
- Arranged free cataract operations for old people

- Under PAHAL – A Population Stabilisation Initiative, JSPL- CSR in collaboration with Health Department, Govt. of Jharkhand has supported incentive distribution to 119 Non Scalpel Vasectomy & 390 Tubectomy
- Launched Jindal Initiative on Institutional Delivery and Neonatal (JIIDAN)
- Rendered support in red ribbon express, a campaign against HIV/AIDS organised by NACO, Delhi and Jharkhand State AIDS Control Society (JSACS), Ranchi

Drinking water and sanitation

- In partnership with Drinking Water and Sanitation Department, Government of Jharkhand and Om Saie Khadi Gramodyog Sewa Sanstha, 145 low-cost toilets were constructed



Annual Inter-School Competition for 23 schools in Patratu

- Installation and repair of hand-pumps
- Support towards the laying of drinking water pipeline in villages
- Constructed soak-pits and platform around hand pumps to enhance health, hygiene and sanitation
- Supply of drinking water through tankers during summer and other social occasions.

Youth and sports

- Organised football, Kabbadi, athletics and cricket tournaments
- Promoted and supported a rural girls football team
- Conducted special competitive classes for rural youth in the areas of operations; six individuals have successfully qualified in various competitive examinations

Education

- Distributed benches and desks in 10 schools
- Conducted spoken English classes
- Distributed competitive books
- Organised inter-school educational competition and athletic meet
- Village library (knowledge centre) has been set up to support poor students for education.
- Provided teacher support in government schools and conducted teacher training programme in 23 schools



Orissa

At Angul, Barbil and Tensa, the focus is on promoting quality of life in terms of health, education and sustainable livelihood initiatives.

Angul

Education

- Supplementing the Government Infrastructure in the Vernacular medium Schools in Angul (23 schools covering 6,500 students)
- Initiated vocational education for skill building
- Promotion of education of girl child in Angul
- Followed a three-pronged approach to generate sustainable livelihood options through farm sector, non-farm sector, services and ancillary sector
- Have been providing 10,000 sets of school books every year for the last three academic sessions of 2008, 2009 and 2010 to the children of the poor convicts in prisons of Orissa, in partnership with an NGO the 'John Augustus Prison and Social Welfare Services'
- Imparting regular Yogic Practices, Spiritual way of life and moral education for school children through Art of Living, covering over 2500 students across 19 schools
- Vocational skill-induction through ITI training offered to 1100 youths for increasing their scope of employment in the industry
- Launched School Mentoring Programme in collaboration with all the schools of the periphery villages in 2011. This programme has been conceived as a nurturing tool for the 42 vernacular medium schools. The objective of this initiative is to ensure maximum admission of children between the age group of 6 and 14 years into schools and to reduce the school dropout rate in the peripheral schools



Inter-School Kabaddi tournament



Shri Rajesh Jha, ED, Angul distributing welcome school kits to students of R&R Vidyapith



- Provided 61 community teachers in 27 peripheral schools to improve pupil to teacher ratio in schools. Conducted a community teacher's training programme in collaboration with the Department of School and Mass Education and Sarva Sikhsha Abhiyan, Angul. The training programme hinged upon the OPEPA approved UNMESH-I module which focuses on activity based paedagogic methods and participatory method
- Admitted 63 students from the Aarambha crèche-cum-school for the children of labourers into the Jindal Vidyapith. Moreover, Aarambha School also recorded new admission of 30 children - 18 boys and 12 girls. The school benefits 50 households in the labour colony

Health

- Initiated Mother and Child Care Programme named 'Aanchal' in partnership with Zilla Swasthya Samiti, National Rural Health Mission and the district administration; it aims at up-scaling, accelerating and refining the government's initiatives towards reducing MMR and IMR and thereby stabilising/reducing the birth rate



Haemoglobin testing for adolescent girls from peripheral villages



- Introduction of Mother and Child Health Tracking through a computerised software and SMS communication. 1,327 pregnant women have registered their names in the Mother and Child Care (MCC) Software. Each pregnant woman received 16 SMS's during the pregnancy period for Antenatal checkups and for ensuring institutional delivery through tie ups with the Janani Express
- Provision for dietary supplements to medically referred Low Birth Weight babies. The aim of this initiative is to ensure 100% institutionalised deliveries in a bid to minimise maternal and infant mortality rate and subsequently, to stabilise population growth
- Commenced Kishori Express for the improvement of the health of adolescent girls (would-be mothers) through regular medical check-ups, haemoglobin check-ups, awareness creation and nutrition supplementation. Covered 137 villages in Chhendipada block and 2,613 girls have undergone the Haemoglobin testing and Kishori Pratibha quiz. The initiative benefits 2,200 households across one entire block
- Extensive HIV/AIDS control programme (Angul is identified as an A category district by NACO, thus has high sensitivity). Installed condom vending machines at 10 locations
- Organised blindness control programme at Angul
- Started 'Mamta Diwas' (a NRHM programme concept for Mother and Child Care) – on a regular basis on 15th of every month
- Supported immunisation camps and awareness generation of seasonal diseases (Malaria, Diarrhoea, Heat strokes, Filariasis)
- Organised rural health camps through mobile Health Units - covering 18 villages, a population of 25,000 and 216 camps annually. School health check-ups in 49 schools, covering 9,500 students; eye care for 5,635 patients; 3,975 patients were provided with medicines; 1,588 people were provided free spectacles and 210 underwent cataract operations; specialised healthcare on O&G camps & ENT camps were organised in partnership with the Government



School going girls holding low cost sanitary napkins



Low cost Sanitary Napkin making machine established in R&R Colony of JSPL

Sustainable Livelihood

JSPL has adopted a three-pronged approach for generating sustainable livelihood options through the farm sector, the non farm sector, services and ancillary sector.

- Ecospa is an innovative initiative in the direction of sustainable livelihood and micro-enterprise promotion where women from local villages bring together locally grown fruits, vegetables and herbs to produce high-quality herbal body care products. The sole objective of Ecospa is to compete with the urban market for herbal body care products while promoting entrepreneurship amongst rural women in the community. The Ecospa self-help group has been functional in the R&R Colony at Badamahitala, Angul for over a year now. Currently, the initiative benefits 76 women across 3 villages. Recently, export potential has been mapped out for Ecospa products and necessary documentation taken up in order to cater to the export market
- Odifab is a platform that showcases the diversified jute products manufactured by the rural women of the villages around Angul. The initiative is a way of pursuing profit alongside a social objective of encouraging a 100% plastic free zone
- Undertook a food processing initiative called Chaiti. This initiative has been functional for over a year now. The fruits and vegetables used as ingredients in pickles, sauces, squashes and other canned products are grown by the village folk in their backyards and freshly picked before being processed. Four groups comprising 42 women are involved in this activity
- Initiated Ssodashi- the low cost sanitary napkin manufacturing unit; promotion of better healthcare practices, especially the personal hygiene practice in order to prevent infection of the reproductive canals. The 12-member 'Sakhi' self help group engaged at the sanitary napkin manufacturing centre has been trained by professionals and is now independently manufacturing and packaging these sanitary pads



ECO SPA SHG members in the process of herbal cleanser preparation at R&R colony



Fresh prawn cultivation, Badamahitala village, Angul



Jute Bag making unit, R & R colony, JSPL

- The Company organises livestock treatment camps regularly. The vaccination programmes are spread across all 18 periphery villages and cover 3657 households in the surrounding
- People are encouraged to take up pisciculture as a livelihood option. About 80 men and 20 women are engaged in prawn cultivation and other such activities in 15 Ponds excavated / renovated by the Company with participation of the people
- 300 women across five villages are engaged in other off-farm activities, such as tailoring, stitching and embroidery, leaf cup making, phenyl and incense stick making, and the making of soft-toys
- Infrastructure enhancement in the periphery villages includes diverse activities ranging from excavation of ponds, installing community tap water connection, repair of roads, electrification of villages, installation of tube wells as well as the construction of community halls right down to the construction of school boundary walls and classrooms
- Construction of temples and community halls is one of the most regularly performed activities
- On an average, over 5,000 households across 18 periphery villages have benefited from these initiatives

Community Infrastructure

- The needs of the people living in the peripheral villages are identified through the process of Participatory Rural Appraisal (PRA). The local people themselves identify the critical infrastructure gaps and offer their participation through 'Shramadaan', thus supplementing the Government initiatives. The course of action is thereafter chalked out in a process where people take their own decisions, with JSPL playing the role of a facilitator

Sports, youth and cultural bonding

- Constructed 3 rural gymnasiums in its periphery villages and supplied it with basic gym equipment under the guidance of a trainer. More than 300 youth across 5 villages are benefiting from these rural gyms. Five youth clubs have been registered across 6 villages
- JSPL provides constant grooming through coaching facilities across all 18 periphery villages. During the year 2010, out of the 33 high schools students across



Relief material distribution at Bada Hinsar, Angul, Orissa

18 periphery villages who participated in district-level Kho-Kho, Kabaddi and athletics tournaments, 9 students qualified for state-level tournaments and one of them reached the nationals. JSPL organises cricket and volleyball tournaments on an inter-village, intra-village, inter-district as well as inter-industry level, on a regular basis

- Jogabhyas Bhoi, a tribal school teacher hailing from one of the remotest village of Kalahandi, with a strong penchant for mountain-climbing was provided financial support in his Everest expedition to reach the peak on 25th June 2010. Earlier, similar support was provided to the first woman mountaineer of Orissa Kalpana Dash from Dhenkanal, to climb the Mount Everest successfully

Calamity management

- On the spot fire-fighting to extinguish fires in 55 house burn cases across 7 villages
- Provided relief to all disaster-hit families
- Provision of drinking water through water tankers to 18 villages during extreme summers

Natural resource management

The Watershed Management Programme is set to be implemented in partnership with NABARD across the villages of Maratira, Tubey, Kulei, Derjang, Madhiamunda and some others. The office of the implementing agency, AFC (Agricultural Finance Corporation) as chosen by NABARD has already been established close to the catchment area. Toposheet Matching has already been accomplished. JSPL intends to link the programme with sustainable livelihood initiatives in the periphery villages.



Remuli College Laboratory, Barbil

Barbil

Education

- Commenced the O. P. Jindal School (10+2 co-educational) with all modern facilities at Barbil; present student strength is 570
- Adopted Dhableswar High School, Deojhar on Public Private Partnership mode
- Assisting a tribal school run by social activist Padmashree Tulasi Munda
- Provided teachers in other primary schools to disseminate quality education
- Started a school bus service, enhancing enrolment and reducing absenteeism
- Provided support to an orphanage school at Keonjhar
- Provided infrastructure building support and faculty support to Barbil College, Remuli College and Joda Women's College
- Adopted ITI Barbil under Public Private Partnership
- 705 candidates underwent short-term training under skill development initiatives scheme (STIS)

Health

- Operating mobile dispensary, catering to 15 villages and over 15,000 people
- Conducted seven health camps, benefiting over 30 villages
- Conducted specialised camps (eye, gynaecology, OBS and dental cases), immunisation programmes, malaria prevention and treatment camps, tuberculosis control programmes, family planning and HIV/AIDS awareness programmes

Drinking water, sanitation and community welfare

- Provided drinking water facilities through pipe water supply, hand pumps and dug wells across several villages
- Constructed low-cost toilets in villages; 80 low-cost toilets have been constructed and 40 are in the pipeline
- Four villages around the plant have been adopted for fogging and anti-larval treatment of the drains and water bodies
- Assisted several villages for sustainable electrification
- Encouraged various tournaments organised by local youth clubs and district administration
- Undertook several infrastructure up-gradation activities across villages

Tensa

Education

- A High school with a 250 with bed residential facility was constructed for tribal girls under the Periphery Development Programme at Baidpali, near Bonaigarh Sub-Divisional H.Q of Sundargarh district in Orissa. The School possesses good infrastructure: classrooms, library, computer labs, toilets, playground (basket ball court, badminton, hockey field etc), staff quarters, among others. JSPL invested around Rs. 3.60 crores for the development of the School
- A number of educational initiatives like providing Computer Lab facility at DAV Public School at Tensa, renovation of the U.P schools at Tantra, Raikela and Bandal and the Madrasa Muslim School and providing additional teachers for improving educational standards in rural schools
- Provision of computer laboratory at Government Girls High School, Baidapali, Bonai



Road work in progress, Tensa

- Developed infrastructure (Basket ball, Badminton court) at Government Girls High School, Baidapali, Bonai

Health

- Blood Bank Unit provided at Sub-Divisional Hospital: People of the locality of Tensa, Barsuan, Koira area are primarily dependent on Bonai Sub-divisional hospital. The District Public Administration requested JSPL, Tensa for providing the blood bank unit at this hospital. JSPL has provided all the equipment for dealing with emergency medical services
- Mega Health Camp organised at different villages for free medical check-up and treatment annually. Serious patients identified in the Health Camp are being sent for further referral check-ups to Rourkela. Moreover, weekly medical checkups and free distribution of medicine are being conducted at remote areas by our Mobile Health Camp Team
- An ambulance is provided and dedicated to nearby villages (24 hrs Service)

- Mosquito nets were distributed to the nearby villagers and also to the residential school children of this locality
- Medical annual health camp at Tantra Village was organised

Community Development

- Construction, renovation and widening of road in Zero Point, Tensa to Barsuan, (17 km)
- Providing drinking water facility by digging of bore wells; water provided through overhead tanks.
- Undertook multiple initiatives for the construction of a temple at Raikela
- A club with all facilities has been constructed and dedicated to the villagers of Raikela
- Renovated ponds at Raikela; constructed a check dam at Tantra Village; dug wells and tube wells at nearby villages



Board of Directors



Smt. Savitri Jindal
Chairperson Emeritus



Shri Naveen Jindal
Chairman & Managing Director



Shri Ratan Jindal
Director



Shri Vikrant Gujral
Group Vice Chairman
& Head Global Ventures



Shri Anand Goel
Jt. Managing Director



Shri Sushil Maroo
Director



Shri N A Ansari
Wholtime Director



Shri S. Ananthkrishnan
Nominee Director-
IDBI Bank Limited,
Independent



Shri R. V. Shahi
Director, Independent



Shri Arun K. Purwar
Director, Independent



Shri Arun Kumar
Director, Independent



Shri Haigreve Khaitan
Director, Independent



Shri Hardip Singh Wirk
Director, Independent



Shri Rahul Mehra
Director, Independent



Management Team



Sound business



Clear strategy



Well governed



Strong financials

Management team



Shri VR Sharma
Dy. Managing Director
& CEO (Steel Business)



Shri John C. Elmore
Director, Strategy
& Business Coordination



Shri Rajeev Bhaduria
Director Group HR



Shri Jasper Marias
Director, Coal Gasification



Shri Rajesh Jha
Executive Director, Angul



Shri Jona Pillay
Executive Director, CTL



Shri Ramesh Raina
Executive Director,
Sales & Marketing



Shri Lalji Dwivedi
Executive Director Sales,
South & West



Shri GDS Sohal
Executive Director, Cement



Shri D N Abrol
Executive Director,
Raw Materials



Shri DK Saraogi
Executive President and Head,
Jindal Shadeed Oman



Shri Pravin Purang
Advisor-Supply Chain
Management



Shri J.B. Karamchandani
President, Architectural Cell



Key Performance Indicators

(Rs. in crores except otherwise stated)

	2010-11		2009-10		2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
INCOME STATEMENT	Consolidated	Standalone	Consolidated	Standalone								
Domestic Sales	12,602.56	9,064.60	11209.12	7485.17	7436.16	5478.62	3326.95	2506.10	2120.83	1309.69	989.57	572.18
Exports	1,395.83	1,395.83	410.41	410.41	1021.37	653.01	592.84	371.85	329.04	83.10	3.61	3.37
Other Income	82.00	143.71	60.28	117.31	122.52	49.12	28.97	27.51	17.43	11.25	8.50	5.86
Gross Sales & Other Income	14,080.39	10,604.14	11679.81	8012.89	8580.05	6180.75	3948.76	2905.46	2467.30	1403.94	1001.68	581.41
Net Sales & Other Income	13,193.59	9,717.34	11151.82	7484.90	7799.43	5459.87	3548.78	2617.76	2271.03	1272.86	889.11	516.69
Operating Profits (PBITD)	6,398.59	3,726.14	5907.99	2612.13	2603.82	2162.61	1431.58	1034.33	907.54	511.78	350.90	209.56
Profit After Tax (PAT)	3,804.01	2,064.12	3634.56	1479.68	1536.48	1236.96	702.99	572.94	515.70	305.46	145.08	107.55
Cash Profit	5,115.02	2,915.22	4759.96	2107.07	2074.81	1768.10	1174.21	858.41	765.76	434.25	267.15	152.19
BALANCE SHEET												
Gross Block	29,316.50	19,865.22	21109.48	15249.49	9680.92	6579.42	5866.87	4389.32	2875.98	1966.97	1504.00	1128.27
Net Block	24,884.38	17,078.29	17844.40	13139.34	8063.91	5396.31	5085.12	3846.99	2514.22	1719.97	1324.69	1006.63
Share Capital												
Equity	93.43	93.43	93.12	93.12	15.47	15.40	15.40	15.40	15.40	15.40	14.63	12.90
Preference	-	-	-	-	-	-	-	-	-	-	10.00	71.00
Net Worth	14,088.10	8,684.36	10386.61	6720.64	5385.11	3722.12	2475.17	1837.92	1317.37	853.87	571.17	463.41
Borrowings	13,976.59	12,114.67	8604.29	8383.26	4962.65	3863.35	3507.72	2745.37	1495.86	1025.96	885.26	697.51
SIGNIFICANT RATIOS												
Operating Profit to Net Sales (%)	48	38	53	35	33	40	41	40	40	40	39	41
Net Profit to Net Sales (%)	29	22	33	20	20	23	20	22	23	24	16	21
Total Debt to Equity Ratio	0.99	1.39	0.83	1.25	0.92	1.03	1.40	1.49	1.13	1.09	1.41	1.49
Return on Capital Employed (%)	22	17	30	16	24	25	21	22	28	24	27	18
Return on Net Worth (%)	27	24	35	22	29	33	28	31	39	36	25	23
PER EQUITY SHARES (Of Re. 1/* each)												
Book Value (Rs.)	150.79	92.95	111.54	72.17	348.21	241.76	160.77	119.40	85.60	55.40	39.00	36.00
EPS (Annualised) (Rs.)	40.22	22.11	39.05**	15.90**	99.44	80.34	45.66	37.21	33.50	20.04	10.40	7.60
Dividend Rate (%)	125	150	125**	125**	550	400	360	300	300	200	125	70

* Pursuant to the resolution passed at the EGM held on 27.12.2007 the Company's Equity Shares of the face value of Rs. 5/- each have been sub-divided into Equity Shares of the face value of Re. 1/- each. The Book Value & EPS for previous years have been re-stated taking into account the shares split.

** JSPL allotted 775,651,530 bonus shares of Re. 1 each on 19.09.2009 in the ratio of 5 bonus shares for each existing equity share of Re. 1 leading to an increase in number of outstanding shares from 154,652,683 in 2008-09 to 931,234,082 in 2009-10. This has resulted in a lower EPS and Dividend percentage.

Notice

To,
The Members,
Jindal Steel & Power Limited

Notice is hereby given that 32nd Annual General Meeting of the members of the Company will be held on Thursday, the 29th day of September, 2011 at 12.00 noon at the registered office of the Company at O.P. Jindal Marg, Hisar – 125 005, Haryana to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt the Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the financial year ended on that date and the Reports of Directors and Auditors thereon.
- To declare dividend on equity shares.
- To appoint a Director in place of Smt. Savitri Jindal who retires by rotation and being eligible offers herself for re-appointment.
- To appoint a Director in place of Shri Ratan Jindal who retires by rotation and being eligible offers himself for re-appointment.
- To appoint a Director in place of Shri Arun Kumar Purwar who retires by rotation and being eligible offers himself for re-appointment.
- To appoint a Director in place of Shri Anand Goel who retires by rotation and being eligible offers himself for re-appointment.

- To appoint M/s S.S. Kothari Mehta & Co., Chartered Accountants (Firm Registration No. 000756N) as Auditors of the Company to hold office from the conclusion of this meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

- To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Shri Naushad Akhter Ansari, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

- To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, and Schedule XIII to the Companies Act, 1956 and Article 139 of the Articles of Association of the Company, the Company hereby approves the appointment of Shri Naushad Akhter Ansari as Wholetime Director of the Company for a period of five years w.e.f 1st December, 2010 on the following terms and conditions:

1. Period of Appointment	:	Five years from 01.12.2010 to 30.11.2015
2. Remuneration		
a) Basic Salary	:	Rs. 2,01,820/- (Rupees two lacs one thousand eight hundred twenty only) per month.
b) Flexible Compensation Plan*	:	Rs. 3,32,832/- (Rupees three lacs thirty two thousand eight hundred thirty two only) per month.
c) Performance based Target Variable Pay of Rs. 13,41,288/- (Rupees thirteen lacs forty one thousand two hundred eighty eight only) per annum as per Company's Policy.		
d) He shall also be entitled to following perquisites:		
i) Employer's Contribution to Provident Fund @ 12% of Basic Salary.		
ii) Gratuity in accordance with Company's Policy.		



iii)	Medicclaim Insurance coverage for self and family as per Company's Policy.
iv)	Group Personal Accident Insurance cover as per Company's Policy.
v)	Leave encashment in accordance with Company's Policy.
vi)	Mobile phone and telephone facility as per Company's Policy.
vii)	Furniture / fixtures / home furnishing loan or any other loan as per Company's Policy.
viii)	Company maintained vehicle and driver / reimbursement of driver's salary as per Company's Policy.
* The Flexible Compensation Plan (FCP) consists of the following components with liberty to choose one or more of them, to the extent of its full amount or a part thereof.	
Allowances/ Reimbursements	Maximum Entitlement (per month)
Uniform Maintenance Allowance	Rs. 700/- (Rupees seven hundred only)
Children Education Allowance	Rs. 200/- (Rupees two hundred only)
Medical Reimbursement	Rs. 1,250/- (Rupees one thousand two hundred fifty only)
Professional Pursuit Reimbursement	Rs. 2,500/- (Rupees two thousand five hundred only)
Children Hostel Allowance	Rs. 600/- (Rupees six hundred only)
Leave Travel Allowance	Rs. 8,333/- (Rupees eight thousand three hundred thirty three only)
Notional value of car as per Company's OYCS Policy	Rs. 26,667/- (Rupees twenty six thousand six hundred sixty seven only)
Maintenance of car as per Company's Policy	Rs. 3,000/- (Rupees three thousand only)
Insurance of car as per Company's Policy	Rs. 5,000/- (Rupees five thousand only)
Special Allowance	Rs. 2,84,582/- (Rupees two lacs eighty four thousand five hundred eighty two only). This amount may increase depending upon the choice of above components.
e)	He shall also be entitled to reimbursement of expenses actually and properly incurred by him for business of the Company.
f)	He shall not be paid any sitting fee for attending the meetings of Board of Directors or Committees thereof.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained hereinabove, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of basic salary, performance based target variable pay, benefits, perquisites, allowances, reimbursements and facilities as specified above."

10. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED BY WAY OF SPECIAL RESOLUTION THAT pursuant to Sections 198, 269, 309, 310 and all other applicable provisions, if any, and Schedule XIII to the Companies Act, 1956 read with Article 139 of Articles of Association of the Company, the Company hereby approves the reappointment of Shri Vikrant Gujral as Wholtime Director and designates him as Group Vice Chairman and Head Global Ventures of the Company for the period from 17th April, 2011 to 31st March, 2014 on the following terms and conditions:

- Basic salary of Rs. 5,37,634/- (Rupees five lacs thirty seven thousand six hundred thirty four only) per month.
- Performance based target variable pay, management incentive, benefits, perquisites, allowances, reimbursements and facilities as may be determined by the Board, from time to time.

RESOLVED FURTHER THAT the remuneration as per the terms mentioned hereinabove will be payable to Shri Vikrant Gujral, Group Vice Chairman and Head Global Ventures for the period from 1st April, 2011 upto 16th April, 2011 also being revision of salary as per Company's Policy.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained hereinabove, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of basic salary, performance based target variable pay, management incentive, benefits, perquisites, allowances, reimbursements and facilities as specified above."

11. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 198, 309, 310 and all other applicable provisions, if any, and Schedule XIII to the Companies Act, 1956, the Company hereby approves the revision of remuneration of Shri Anand Goel, Joint Managing Director of the Company with effect from 1st April, 2011 in the following manner:

- (a) Basic salary of Rs. 6,45,161/- (Rupees six lacs forty five thousand one hundred sixty one only) per month.
- (b) Performance based target variable pay, benefits, perquisites, allowances, reimbursements and facilities as may be determined by the Board, from time to time.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained hereinabove, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of basic salary, performance based target variable pay, benefits, perquisites, allowances, reimbursements and facilities as specified above."

12. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 198, 309, 310 and all other applicable provisions, if any, and Schedule XIII to the Companies Act, 1956, the Company hereby approves the revision of remuneration of Shri Naushad Akhter Ansari, Wholetime Director of the Company with effect from 1st April, 2011 in the following manner:

- (a) Basic salary of Rs. 2,42,190/- (Rupees two lacs forty two thousand one hundred ninety only) per month.
- (b) Performance based target variable pay, benefits, perquisites, allowances, reimbursements and facilities as may be determined by the Board, from time to time.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained hereinabove, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of basic salary, performance based target variable pay, benefits, perquisites, allowances, reimbursements and facilities as specified above."

Place: New Delhi

Dated: 30th July, 2011

Registered Office:

O.P. Jindal Marg,
Hisar – 125 005, Haryana

By order of the Board

T.K. Sadhu
Company Secretary



Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. A blank proxy form is sent herewith.
3. The instrument appointing proxy should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
4. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of items 8 to 12 of the Notice is annexed hereto.
5. All documents referred to in the accompanying Notice and Explanatory Statement are open to inspection at the registered office of the Company during office hours on all working days up to the date of Annual General Meeting between 11:00 AM and 1:00 PM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

RESOLUTION NO 8 & 9:

Shri Naushad Akhter Ansari joined the Company on 1st September, 2008 as Executive Director and was posted at its Patratu Works located in the State of Jharkhand. He was transferred to Raigarh Works located in the state of Chhattisgarh w.e.f 23rd November, 2010. During his stint at Patratu Works he has supervised the setting up of wire rod mill (0.6 MTPA) and bar mill (1.00 MTPA). He is B.Sc. Engineering (Mechanical) from Aligarh Muslim University and has completed management courses from Wharton School of Business, USA, Indian School of Business, Hyderabad and INSEAD, Singapore. Prior to joining the Company he had worked at Tata Steel Limited, Jamshedpur for 34 years in various capacities. Considering his vast knowledge and experience of 36 years in steel industry, the Board (through resolution by circulation) has appointed him as an Additional Director and, subject to your approval, as Wholetime Director w.e.f 1st December, 2010 on terms and conditions as mentioned in resolution No. 9.

As per provisions of Section 260 of the Companies Act, 1956, he holds the office of Additional Director upto the ensuing Annual General Meeting. Pursuant to Section 257 of the Companies Act, 1956, the Company has received notice along with the deposit of Rs. 500/- from a member proposing his candidature for appointment as Director liable to retire by rotation.

As per Section I of Part-II of Schedule XIII to the Companies Act, 1956, if the Company has adequate profits, the Board may fix remuneration within the ceiling as provided in Section 198 and 309 of that Act which is 10% of the net profits. As per the audited accounts for the financial year 2010-11, the Company has earned net profit of Rs. 2,064.12 crores, which is considered sufficient for the purpose of payment of proposed remuneration to the managerial personnel of the Company.

The terms and conditions including remuneration given in the said resolution may be treated as an abstract of terms of appointment of Shri Naushad Akhter Ansari under Section 302 of the Companies Act, 1956.

The Board recommends these resolutions for your approval. Shri Naushad Akhter Ansari is interested in these resolutions.

RESOLUTION NO 10:

Shri Vikrant Gujral was appointed as Vice Chairman and Chief Executive officer of the Company for a period of 5 years w.e.f 17th April, 2001 and reappointed for further period of 5 years w.e.f 17th April, 2006. He has guided the Company's operations and helped in setting up of various projects. He combines practical experience with his managerial and marketing capabilities and has ushered the Company in the new phase of growth. Since March 2010 he was entrusted with additional responsibility of global ventures, international mining, Coal Gasification and Coal to Liquid projects and was re-designated as Group Vice Chairman and Head Global Ventures. He is Mechanical Engineer and possesses 48 years' experience of working in Steel industry out of which he has worked in Plants of Steel Authority of India Limited (SAIL) for 38 years. He has made substantial contribution towards growth of the Company during the last ten years. The Board of Directors considered his reappointment and its terms in their meeting held on 24th January, 2011 and 21st April, 2011 respectively and subject to your approval re-appointed him as Wholetime Director in the designation of Group Vice Chairman and Head Global Ventures of the Company for the period from 17th April, 2011 to 31st March, 2014 on terms and conditions as decided by them in their meeting held on 21st April, 2011.

As per Company's policy, the Board has, subject to your approval, revised his salary from 1st April, 2011 to 16th April, 2011.

As per Section C of Part I of Schedule XIII to the Companies Act, 1956, no person shall be appointed as

Wholetime Director if he has not completed the age of 25 years or he has attained the age of 70 years unless his appointment is approved by shareholders by way of special resolution and as such, his reappointment requires approval of shareholders by way of special resolution. As per Section I of Part-II of Schedule XIII to the Companies Act, 1956, if the Company has adequate profits, the Board may fix / revise remuneration within the ceiling as provided in Section 198 and 309 of that Act which is 10% of the net profits. As per the audited accounts for the accounting year 2010-11, the Company has earned net profit of Rs. 2,064.12 crores, which is considered sufficient for the purpose of payment of proposed remuneration to the managerial personnel of the Company. The Board recommends this resolution for your approval.

The terms and conditions including remuneration given in the said resolution may be treated as an abstract of terms of appointment of Shri Vikrant Gujral as Wholetime Director in the designation of the Group Vice Chairman and Head Global Ventures under Section 302 of the Companies Act, 1956.

Shri Vikrant Gujral is interested in this resolution.

RESOLUTION NO 11 & 12:

In view of their status in the industry, standard and cost of living, increasing responsibilities on account of expanding business activities within India and abroad,

time and effort put in by them towards managing affairs of the Company, the Board has, subject to the approval of shareholders, revised the remuneration of Shri Anand Goel and Shri Naushad Akhter Ansari w.e.f 1st April, 2011 as contained in resolution No. 11 & 12.

As per Section I of Part-II of Schedule XIII to the Companies Act, 1956, if the Company has adequate profits, the Board may fix / revise remuneration within the ceiling as provided in Section 198 and 309 of that Act which is 10% of the net profits. As per the audited accounts for the financial year 2010-11, the Company has earned net profit of Rs. 2,064.12 crores, which is considered sufficient for the purpose of payment of proposed remuneration to the managerial personnel of the Company. In terms of Section 310 read with Schedule XIII to the Companies Act, 1956, the Board can revise the remuneration subject to approval of the shareholders in general meeting. The Board considered the matter in its meeting held on 21st April, 2011 and recommends these resolutions for your approval.

The terms of revision of remuneration given in the said resolutions may be treated as an abstract of terms of remuneration of the said directors under section 302 of the Companies Act, 1956.

Shri Anand Goel and Shri Naushad Akhter Ansari are interested in their respective resolutions.

Place: New Delhi

Dated: 30th July, 2011

Registered Office:

O.P. Jindal Marg,

Hisar – 125 005, Haryana

By order of the Board

T.K. Sadhu

Company Secretary



FOR ATTENTION OF SHAREHOLDERS

1. Register of members and share transfer books of the Company will remain closed from 14th to 16th September, 2011 (both days inclusive). The dividend, if declared by the members, shall be paid to those members whose names, in case of shares held in electronic form (Demat Form), appear as beneficial owners, as at close of business hours on 13th September, 2011 and for shares held in physical form appear in the Register of Members on 16th September, 2011 after giving effect to all valid transfers in physical form lodged with the Company and Registrar and Transfer Agent on or before 13th September, 2011. The dividend on equity shares, if declared at the meeting, will be credited/distributed between 1st October, 2011 and 14th October, 2011.
2. The Ministry of Corporate Affairs, Government of India, vide its General Circular No. 2/2011 dated 8th February, 2011, has given general exemption to the companies from attaching the Balance Sheet and other documents of subsidiary companies as required under Section 212(1) of the Companies Act, 1956, with Annual Accounts of the Company if the Board of Directors so decides. The Board of Directors has, in its meeting held on 21st April, 2011, decided not to attach the Balance Sheet and other documents of the subsidiary companies with the annual accounts of the Company.

Please note that the following information has been disclosed, at an appropriate place, in this report in respect of each subsidiary company.

(i) Capital (ii) Reserves (iii) Total Assets (iv) Total Liabilities (v) Detail of Investment (except in case of investment in the subsidiaries) (vi) Turnover (vii) Profit Before Taxation (viii) Provision for Taxation (ix) Profit after Taxation (x) Proposed Dividend

The Company undertakes that Annual Accounts of the Subsidiaries namely:-

1. Jindal Power Limited 2. Jindal Minerals & Metals Africa Limited 3. Jindal Minerals and Metals Africa Congo SPRL 4. Jindal Steel & Power (Mauritius) Limited 5. Trans Atlantic Trading Limited 6. PT Jindal Overseas 7. Vision Overseas Limited 8. Jubilant Overseas Limited 9. Affiliate Overseas Limited 10. Skyhigh Overseas Limited 11. Harmony Overseas Limited 12. Worth Overseas Limited 13. Jindal Steel Bolivia SA 14. Gas to Liquid International SA 15. Jindal Power Trading Company Limited 16. Jindal Power LLC 17. Rolling Hills Resources LLC 18. Jindal Mining Industry LLC 19. JSPL Mozambique Minerals LDA 20. Jindal Synfuels Limited 21. Enduring Overseas Limited 22. Jindal Mining & Exploration Limited 23. Jindal Zambia Limited 24. Jindal Investment

Holdings Limited 25. Jindal Africa Investments (Pty) Ltd 26. Osho Madagascar SARL 27. Jindal Hydro Power Ltd. 28. Jindal Power Transmission Limited 29. Jindal Power Distribution Limited 30. Attunli Hydro Electric Power Company Limited 31. Etalin Hydro Electric Power Company Limited 32. Jindal DRC SPRL (Congo) 33. Jindal Madagascar SARL 34. Jindal Investimentos LDA 35. Belde Empreendimentos Mineiros Ltd. 36. Kasai Sud Diamant 37. Eastern Solid Fuels Pty. Ltd. 38. Jindal Mining Pty. Ltd. (Matt Trading Pty Ltd.) 39. Jindal Brasil Mineracao SA 40. Subansiri Hydro Electric Power Company Limited 41. Urtan North Mining Company Limited 42. Jindal Steel & Power (Australia) Pty. Ltd 43. Shadeed Iron & Steel Co. LLC 44. Jindal Tanzania Limited 45. Jindal Minerals Mining Zimbabwe Limited will be made available to the investors of these subsidiaries and the Company as and when they demand. The Annual Accounts of these Subsidiary Companies will also be kept for inspection by any investor at the registered office of the Company as well as these subsidiaries.

3. Members desiring any information / clarification on the accounts are requested to write to the Company at least seven days in advance so as to enable the management to keep information ready at the Annual General Meeting.
4. Members are requested to note that M/s. Alankit Assignments Limited, Alankit House, 2E/21, Jhandewalan Extn., New Delhi-110055, are the Registrar and Transfer Agent of the Company to look after the work related to shares held in physical and dematerialised form.
5. Members are requested to immediately notify to the Registrar and Transfer Agent any change in their addresses in respect of shares held in physical form and to their Depository Participants (DPs) in respect of shares held in the dematerialised form.
6. Pursuant to Clause 5A of the listing agreement, first reminder was sent to 1,789 shareholders on 20th April, 2011 at their registered address in respect of Bonus shares lying unclaimed with the Company. Second reminder will be sent to such shareholders shortly. After third reminder, the Company will open Demat Suspense Account and transfer all unclaimed shares to such account. As and when such shareholder(s) approach the Company, the Company will credit his/ their shares lying in Demat Suspense Account to his/ their demat account(s) or issue share certificate, as the case may be, after proper verification.

After first reminder, 74 letters have been received from shareholders claiming their shares and share certificates in respect of such shares have been dispatched to them. In case you have not claimed such shares please write to the Company at 28, Najafgarh Road, New Delhi - 110 015, 011-45021814-822, Fax 011-45021828, Email: investorcare@jindalsteel.com

7. The Cost Auditors of the Company, M/s. Ramanath Iyer & Co. (FRN 00019) BL-4 (Paschimi), Shalimar Bagh, Delhi – 110058 have filed the cost audit report for financial year 2009-10 on 10th September, 2010; the due date of which was 27th September, 2010. The Board of Directors have appointed M/s. Ramanath Iyer & Co. (FRN 00019) as Cost Auditor for auditing the cost accounts in respect of steel, electricity, cement and mining divisions of the Company for the financial year 2011-12. The Cost Audit report for the financial year 2010-11 is due to be filed on or before 27th September, 2011 and will be filed in due course.
8. The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies and has to this effect issued circular no. 17/2011 on April 21, 2011 and 18/2011 on April 29, 2011. Company is sending the Annual Report including the notice of annual general meeting, audited financial statements, directors’ report, auditors’ report along with their annexures etc. for the financial year 2010-11 in electronic mode to the shareholders who have registered their email id with the Company and/or their respective Depository Participants (DPs). The documents being served in electronic form will also be available on our corporate website www.jindalsteelpower.com. In case you desire to receive the documents mentioned above in physical form, you are requested to intimate the Company at 28, Najafgarh Road, New Delhi – 110015, 011-45021814-822, Fax 011-45021828, Email: investorcare@jindalsteel.com
Shareholders holding shares in physical mode are requested to kindly register their email id with the Company and shareholders holding shares in electronic mode are requested to update their email ids with their respective DPs for purpose of sending documents and correspondence in electronic mode.
9. Please bring a copy of the Annual Report and duly filled in attendance slip for attending the Annual General Meeting.
10. UNCLAIMED / UNPAID DIVIDEND

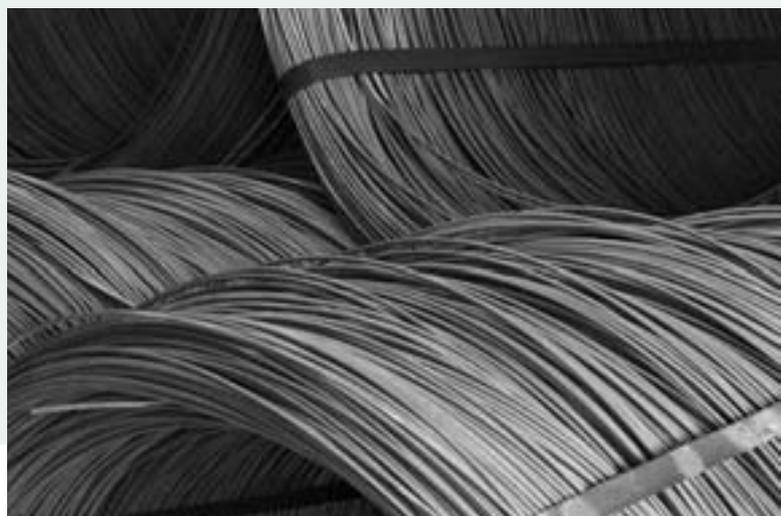
In terms of Section 205C of the Companies Act, 1956, the Central Government has established “Investor Education and Protection Fund” (IEPF) and any amount of dividend / fixed deposit etc. remaining unclaimed / unpaid for a period of seven years from the date it becomes due for the payment should be transferred to this fund. Following table gives information relating to unpaid dividend accounts and last dates for claim :-

Year	Description	Date Of Declaration	Last Date Of Claiming Dividend
2004-05	Interim Dividend @100%	27th October, 2004	26th October, 2011
2004-05	Dividend @200%	25th July, 2005	24th July, 2012
2005-06	Interim Dividend @100%	31st October, 2005	30th October, 2012
2005-06	Dividend @200%	27th September, 2006	26th September, 2013
2006-07	Interim Dividend @120%	29th January, 2007	28th January, 2014
2006-07	Dividend @240%	28th September, 2007	27th September, 2014
2007-08	Interim Dividend @150%	18th February, 2008	17th February, 2015
2007-08	Dividend @250%	26th September, 2008	25th September, 2015
2008-09	Dividend @550%	29th September, 2009	28th September, 2016
2009-10	Dividend @125%	28th September, 2010	27th September, 2017

Those who have not received/encashed their dividend warrants with respect to above dividends may please correspond with the Company for claiming the unclaimed amount.



Directors' Report



To
The members,

Your Directors are pleased to present the 32nd Annual Report together with the Statement of Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS

(Rs. in Crores)

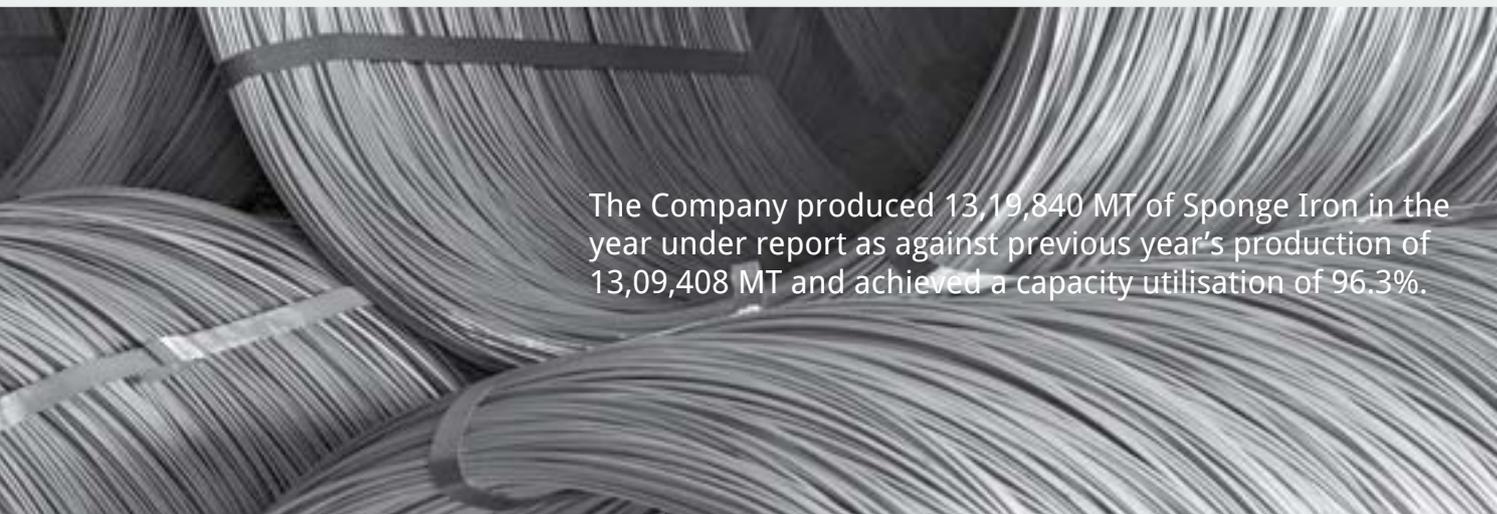
Particulars	Standalone		Consolidated	
	Financial Year ended 31.03.2011	Financial Year ended 31.03.2010	Financial Year ended 31.03.2011	Financial Year ended 31.03.2010
Sales & other income	9,717.34	7,484.90	13,193.60	11,151.82
Profit before interest and depreciation	3,726.14	2,612.13	6,398.59	5,907.99
Profit before tax	2,753.36	1,907.50	4,988.02	4,553.45
Profit after tax	2,064.12	1,479.68	3,804.01	3,634.56
Appropriations:				
Interim dividend	-	-	4.29	3.38
Final dividend	140.19	116.52	140.19	116.52
Corporate tax on dividend	3.75	4.28	23.44	19.96
General reserve	210.00	150.00	211.65	150.00

FURTHER ISSUE OF CAPITAL

The Company has allotted 30,23,507 equity shares of Re.1/- each on various dates against options granted under the Company's Employee Stock Option Scheme- 2005 during the period under report.

DIVIDEND

Your Directors recommend a dividend of 150% i.e. Rs. 1.50 per equity share of Re. 1/- each. Stock Options under Series III (Part III) will vest in the employees on 27th April, 2011 and shares will be allotted against these Options in due course. These shares will rank pari-passu with the existing shares in all respects. Accordingly, provision for payment of dividend for the financial year 2010-11 has also been made in respect of 7,40,625 equity shares being the maximum number of shares that may be allotted on exercise of these Options.



The Company produced 13,19,840 MT of Sponge Iron in the year under report as against previous year's production of 13,09,408 MT and achieved a capacity utilisation of 96.3%.

OPERATIONAL REVIEW

The Company has, on a consolidated basis, achieved an aggregate income of Rs. 13,193.60 crores, compared to previous year's Rs. 11,151.82 crores. Profit before tax has increased to Rs. 4,988.02 crores in 2010-11 from Rs. 4,553.45 crores in 2009-10. Profit after tax has also grown to Rs. 3,804.01 crores in the year under review, from Rs. 3,634.56 crores in the previous year. The Reserves and Surplus have touched Rs. 14,015.08 crores.

Sponge Iron

The Company produced 13,19,840 MT of Sponge Iron in the year under report as against previous year's production of 13,09,408 MT and achieved a capacity utilisation of 96.3%.

Steel

The production of steel products during the year under report, compared to previous year is given below:

Sl No.	Product	Production in MTs	
		(2010-11)	(2009-10)
1	Finished steel products	15,85,327	12,14,583
2	Semi steel products	22,72,692	19,64,032

Ferro Chrome

The Company produced 17,149 MT of HC Ferro Chrome/silico manganese during the year as against 540 MT in the previous year.

Power

The Company generated 2,942 million Kwh of power during the year under report as against last year's 2,976 million Kwh of power.

Raipur Unit

Raipur Unit produced 1,579 MT of casting and has done machining of 8,613 MT as against 1,665 MT and 8,885 MT respectively of previous year.

Mining

The production of calibrated iron ore at captive mine at Tensa in Orissa was 29.09 lacs MT as against previous year's production of 12.34 lacs MT. The Company has exported 8.42 lacs MT of iron ore fines as against 6.09 lacs MT in the previous year. Coal production at captive mine was 59.99 lacs MT, as against previous year's production of 59.98 lacs MT.

PROJECTS COMPLETED

Following projects were completed during the year under report:

1. Steel Melting Shop: With the modification in mini blast furnace and by commissioning of steel melting shop (SMS - III) in May 2010, the production capacity of Hot Metal / Pig Iron has increased from 1.5 MTPA to 1.67 MTPA and of Mild Steel from 2.4 MTPA to 3.0 MTPA.
2. Captive Power Plant: Out of the four captive power generating units of 135 MW each to be set up in two phases at Dongamahua, Raigarh, two units of 135 MW each under Phase - I were synchronised in May and September 2010 respectively and are generating power. Both the units have stabilised their operations and power generated is utilised for Raigarh works.

810 MW (6x135 MW) captive power plant is a part of steel plant proposed to be set up at Angul, Orissa. The first unit of 135 MW has been commissioned in March 2011.



A 0.6 MTPA medium and light section mill at Raigarh, Chhattisgarh has been completed and commenced production from January 2011. This mill has the capacity to produce 400 mm beams, 300 mm channels and 200 mm channels which are in great demand. The capacity to produce a range of products has provided the Company a strong market edge.

The Company's total power generation capacity has increased to 782 MW which includes 24 MW of windmill power plant at Satara, Maharashtra.

3. **Cement Plant:** A 0.5 MTPA capacity slag grinding unit at Raigarh, Chhattisgarh has been completed and is operating since May 2010. This plant is utilising the slag produced by blast furnace I and II and clinker, purchased from outside, is mixed with slag to produce cement. A part of the production is used in-house for various civil works and balance is sold in the market.
4. **Medium and Light Section Mill:** A 0.6 MTPA medium and light section mill at Raigarh, Chhattisgarh has been completed and commenced production from January 2011. This mill has the capacity to produce 400 mm beams, 300 mm channels and 200 mm channels which are in great demand. This mill will complement the product range of rail and universal beam mill (RUBM) which produces 100 mm beams and 400 mm columns and rails. The capacity to produce a range of products has provided the Company a strong market edge.
5. **6 Strand Billet caster:** This unit is a part of SMS- III and started commercial production from March 2011. The billets are used as raw material for the production of medium sections, beams, channels, wire rods used by construction sector and angels used for construction of transmission towers.
6. **Wire Rod Mill and Bar Mill:** A 0.6 MTPA capacity wire rod mill and 1.0 MTPA capacity bar mill, at Patratu, Jharkhand has commenced production on 29th March, 2010 and 30th March, 2011 respectively. Wire rod mill

produces wire rods of 5.2 mm to 22 mm and rebars of 6, 8 10 & 12 mm, which are used in the manufacture of springs, high tension fasteners, electrodes, nails, concrete wires. Bar mill produces rebars of 8 mm to 40 mm size, angels of 50x50x5 mm to 90x90x9 mm and rounds of 20-63 mm diameter and RCS of 40-63 mm diameter. These products are used in civil construction, fabrication and structural work and for the production of fasteners and bolts, among others.

7. **Shadeed Sponge Iron Plant:** The Company through its 100% subsidiary Jindal Steel & Power (Mauritius) Limited, Mauritius (JSPLM), has acquired Shadeed Iron & Steel Co. LLC (SISCO), a Company incorporated under the laws of the Sultanate of Oman, in June 2010. SISCO has a 1.5 MTPA gas-based Hot Briquetted Iron (HBI) plant at the industrial port area of Sohar, Oman. The plant has been commissioned in record time and commercial operations started in December 2010, three months ahead of its schedule. The plant has a 600 meter long quay with 19 meter draught capable to handle cape size vessels. The Company proposes to set up a 1X200 T/hr EAF and a billet caster and the orders for the same will be placed in the current financial year.
8. **Producer Gas Plant:** 2x48500 Nm³/hr producer gas plant has been set up at Barbil, Orissa and is operating since March 2010. The gas produced by this plant is a substitute for furnace oil, which is used in the pellet plant.

PROJECTS UNDER IMPLEMENTATION

1. **Captive Power Plant in Raigarh, Chhattisgarh:** Under Phase – II, 270 MW (2 x 135 MW) captive power plant, is being set up at Dongamahua, Raigarh. Environment clearance and consent to establish have been obtained. Complete BOP packages like CHP, AHP and Water Treatment Plant, Switchyard, C&I Packages etc. have been awarded to different vendors. Target date for the synchronisation of the Unit I of Phase II is September 2011 and for Unit II is December 2011.
2. **Steel Plant in Angul, Orissa:** The Company is at an advanced stage of implementation of this project. All major orders for engineering, equipment supply and construction works have been placed. Out of 4,331 acres of land required for the project, 4,067 acres of land have already been acquired. The following facilities are being set up viz., plate mill (1.5 MTPA), coal gasification plant (225,000Nm³/hr), sponge iron plant (1.8 MTPA), steel melting shop (1.64 MTPA), slab caster (1.62 MTPA), oxygen plant (2x1200 TPD), lime and dolomite plant

(2x500 TPD), coal washery (2x600 TPH) and captive power plant (6x135 MW). Target date of commissioning of the steel plant is March 2012.

3. Steel plant in Patratu, Jharkhand: The Company is setting up an integrated steel plant in Patratu in the state of Jharkhand with the following key facilities viz. Blast Furnace (10,000 TPD), Sinter Plant (5.04 MTPA), Coke Ovens (1.70 MTPA), billet caster (2 X 8 strands), Oxygen Plant (2 X 1300 TPD), Lime & Dollime Plant (3 X 600 TPD), BOF Shop (2 X 180/200 Tons). Orders for major technological packages have been finalised/are in the advanced stages of finalisation. The steel plant is expected to be commissioned in second half of 2013.
4. Machinery Division, Raipur, Chhattisgarh: The Company is expanding production capacity of this division from 5,100 to 10,000 metric tons per annum. During the year under report, two sheds were completed and the CNC machines have been commissioned enhancing the production capacity to 9,000 metric tons per annum. During the current financial year, two more sheds will be constructed in which cranes will be installed thereby increasing the production capacity to 10,000 metric tons per annum. This division is capable of manufacturing equipment for steel melting shop, blast furnace, sponge iron plant, sinter plant etc. The production capacity of foundry division has been increased to 4,600 metric tons. Work for setting up of Pressure Vessel Division with production capacity of 2,500 metric tons per annum is going ahead and sheds have been completed.
5. El-Mutun Iron Ore Mine, Bolivia: Jindal Steel Bolivia S.A (JSB), a subsidiary of the Company, has been allotted land for setting up of an integrated 1.7 MTPA steel plant, a 6 MTPA sponge iron plant, a 10 MTPA iron ore pellet plant and a 450 MW power plant. EIA clearance for mining and beneficiation plant has been obtained and the mining activity is progressing smoothly. Engineering consultant for the project has been appointed. All major packages for the project are in the process of finalisation. The dispatch of the ore being produced is expected to start by June 2011.

SUBSIDIARY COMPANIES AND THEIR BUSINESS

Jindal Power Limited (JPL) is operating 1,000 MW (4 X 250 MW) power plant in Raigarh (Chhattisgarh). JPL has closed financial year 2010-11 with a total income of Rs. 3,564.35 crores and earned a profit after tax of Rs. 2,001.60 crores. The Company is expanding its power generation capacity by setting up 2,400 MW (4 X 600 MW) power plant adjacent to the existing site at Tamnar, Raigarh. JPL envisages setting up

of 1,320 MW thermal power plant in Dumka, Jharkhand and 1,320 MW thermal power plant in Godda, Jharkhand and Hydro Electric Power Plants of 6,100 MW power generation capacity in the state of Arunachal Pradesh in Joint Venture with Hydro Power Development Corporation of Arunachal Pradesh Limited.

The Company has deepened and expanded its roots in the African continent and has its presence in Mozambique, South Africa, Congo, Madagascar, Zimbabwe, Tanzania and Zambia through subsidiary companies for undertaking the mining activities related to coal, limestone, base metals and precious metals.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 205C of the Companies Act, 1956, the Company has transferred unclaimed matured fixed deposit amounting to Rs. 1,07,296/- (Rupees one lac seven thousand two hundred ninety six only) and unpaid / unclaimed final dividend for financial year 2002-03 and interim dividend for financial year 2003-04 amounting to Rs. 22,82,910/- (Rupees twenty two lacs eighty two thousand nine hundred ten only) and Rs. 14,00,114/- (Rupees fourteen lacs one hundred fourteen only) respectively to Investor Education and Protection Fund of Government of India. The details including last date of claiming unclaimed / unpaid dividend amount is given at the end of the Notice of the Annual General Meeting.

EMPLOYEES STOCK OPTION

Details of allotment of shares made pursuant to Employees Stock Option Scheme-2005 to the employees of the Company and its subsidiary, Jindal Power Limited during the period under report is given below:

S.No.	Series	No. of Equity Shares Allotted	Date of Allotment
1	Series I (Part III)	24,56,922	23rd June, 2010
2	Series III (Part II)	3,26,021	1st February, 2011
3	Series II (Part III)	2,40,564	14th April, 2011

Options under Series III (Part-III) will vest in the employees on 27th April, 2011 and employees are entitled to exercise their options during their exercise period of six months from the date of vesting.



The Company has deepened and expanded its roots in the African continent and has its presence in Mozambique, South Africa, Congo, Madagascar, Zimbabwe, Tanzania and Zambia through subsidiary companies for undertaking the mining activities related to coal, limestone, base metals and precious metals.

As required by Clause 12 of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 information with respect to active Stock Options as on 31st March, 2011 is given in a separate statement as Annexure-I forming part of this Report.

LISTING

The equity shares continue to be listed on The Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). Both these stock exchanges have nation-wide terminals and therefore, shareholders / Investors are not facing any difficulty in trading in the shares of the Company from any part of the Country. The Company has paid annual listing fee for the financial year 2011-12 to BSE & NSE and annual custody fee to National Securities Depository Limited and Central Depository Services (India) Limited. Shares issued against stock options have been listed and trading permission has been granted by these stock exchanges.

FIXED DEPOSITS

The Company has received Rs. 11.01 crores as fresh deposits from 2,099 applicants during the year under report. The aggregate amount outstanding in respect of fixed deposits as on 31st March, 2011 was Rs. 59.67 crores against 11,522 fixed deposit holders. Amount of deposits that have matured but were unclaimed as on 31st March, 2011 was Rs.1.28 crores representing 441 deposit holders. Since then 71 deposits totalling Rs. 23.02 lacs have been paid.

DIRECTORS

Shri Arun Kumar Mukherji, resigned from the Directorship and Wholetime Directorship of the Company from close of business hours of 23rd November, 2010. Shri Naushad Akhter Ansari was appointed as an Additional Director and Wholetime Director of the Company w.e.f 1st December, 2010. Smt. Savitri Jindal, Shri Ratan Jindal, Shri Arun Kumar Purwar and Shri Anand Goel, Directors of the Company will retire by rotation at the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment.

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

Information pursuant to Section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in Annexure II forming part of this report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time, the particulars of employees are set out in Annexure-III to this Report. However, as per provisions of Section 219(1)(b)(iv) of the said Act read with Clause 32 of the Listing Agreement, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company.

CORPORATE GOVERNANCE

Your Company has implemented the conditions of Corporate Governance as contained in Clause 49 of listing agreement. Separate reports on Corporate Governance and Management Discussion and Analysis along with necessary certificates are given elsewhere in this Annual Report as Annexure IV & V.

AUDITORS

M/s S.S.Kothari Mehta & Co. (Firm Registration Number - 0000756N), Auditors of the Company hold office upto the conclusion of the ensuing Annual General Meeting. The Company has received communication from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. They are proposed to be appointed as Auditors of the Company for the financial year 2011-12.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Sub Section 2AA of Section 217 of the Companies Act, 1956, with respect to the Directors Responsibility Statement, it is hereby confirmed:-

- i) that in preparation of the annual accounts for the financial year ended on 31st March, 2011, the applicable accounting standards had been followed along with proper explanations relating to material departures.
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under report.
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and by preventing and detecting fraud and other irregularities.

- iv) that the Directors had prepared the accounts for the financial year ended on 31st March, 2011 on a 'going concern basis'.

APPRECIATION

Your Directors wish to place on record their gratitude for the valuable guidance and support rendered by the Government of India, various State Government departments, Financial Institutions, Banks and various stakeholders, such as, shareholders, customers and suppliers, among others. The Directors also commend the continuing commitment and dedication of the employees at all levels, which has been critical for the Company's success. The Directors look forward to their continued support in future.

For and on behalf of the Board

Place: New Delhi
Date: 21st April, 2011

Savitri Jindal
Chairperson



Annexures to Directors' Report

ANNEXURE - I

Statement as at 31st March, 2011, pursuant to Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

Sl. No.	Description	Remarks
A	Options granted	During the year 2010-11 no stock options were granted to the employees and Wholetime Directors of the Company and its subsidiaries.
B	Pricing formula	As approved by shareholders in their Annual General Meeting held on 25th July, 2005, price of shares arising on exercise of Options is equivalent to 75% of the average of the daily closing price of equity shares of the Company during 30 trading days preceding the date of grant of Options as quoted on the Bombay Stock Exchange Limited, Mumbai (BSE) or the National Stock Exchange of India Limited (NSE) wherever the trading volume of equity shares in aggregate during the said period is more.
C	Options vested	5,18,625 (Part – II Series-II) and 49,54,110 (Part –III Series- I) and 7,40,625 (Part – II, Series – III)
D	Options exercised	32,75,513
E	Total number of Ordinary Shares arising as a result of exercise of Options	2,52,006 equity shares of Re.1/- each allotted on 13th April, 2010; 24,56,922 equity shares of Re.1/- each allotted on 23rd June, 2010 and 3,26,021 equity shares of Re.1/- each allotted on 1st February, 2011 aggregating to 30,34,949 equity shares of Re.1/- each.
F	Options lapsed	On account of leaving of service, due to resignation, retirement or otherwise, by the employees of the Company and its subsidiary, 31,78,411 stock options lapsed during the financial year 2010-11.
G	Variation of terms of Options	NIL
H	Money realised by exercise of Options	Rs.11,29,98,857/- (Includes premium of Rs. 10,99,63,908/-)
I	Total number of Options in force	12,59,250 stock options.
J	Details of Options granted to	
	i) Senior managerial personnel	NA
	ii) Any other employees who received a grant in any one year of Options amounting to 5% or more of the Options granted during that year.	NA
	iii) Identified employees who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	NA

Sl. No.	Description	Remarks
K	Diluted Earnings per Share (EPS) pursuant to issue of Ordinary Shares on exercise of Options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	Rs. 22.09
L	i) Method of calculation of employee compensation cost	The Company has calculated the employee compensation cost using the intrinsic value method of accounting to account for stock-based compensation cost as per the intrinsic value method for the financial year 2010-11.
	ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the Options.	The employee compensation cost would have been increased by Rs. 4.58 crore.
	iii) The impact of this difference on Profits and on EPS of the Company	The effect of adopting the fair value method on the net income and earnings per share is presented below:
		(Rs. in crores)
		Net Income, as reported 2,064.12
		Add: Intrinsic Value Compensation Cost (4.87)
		Less: Fair value Compensation Cost (Black Scholes Model) (0.29)
		Adjusted Net Income 2,059.54
		Earning per share Basic (Rs.) Diluted (Rs.)
		As reported 22.11 22.09
		As adjusted 22.06 22.04
M	Weighted average exercise price and Weighted average fair value of Options granted for Options whose exercise price either equals or exceeds or is less than the market price of the stock	Options granted whose exercise price is less than the market price of the stock (adjusted for stock split): Weighted average Exercise Price NA Weighted average fair value NA
N	A description of the method and significant assumption used during the year to estimate the fair value of Options	The fair value of each option estimated using the Black Scholes Options Pricing Model after applying the following key assumptions
	i) Risk free interest rate	NA
	ii) Expected life	NA
	iii) Expected volatility	NA
	iv) Expected dividend	NA
	v) The price of the underlying shares in market at the time of options grant	NA

For and on behalf of the Board

Place: New Delhi
Date: 21st April, 2011Savitri Jindal
Chairperson



ANNEXURE - II

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY

a) Energy conservation measures taken:

1. Installation of VFD drives in ID fan of 2x25 MW power plant.
2. Installation of VFD drives in ID fan of 2x55 MW power plant.
3. Use of Thermol an eco-friendly multifunctional fuel additive to reduce specific consumption of FO in RUBM reheating furnace.
4. Installation of on-off control for RITES inspection lighting for rails from bed-4 pulpit.
5. Redistribution of lights to 12 hrs & 24 hrs and cable cellar illumination zone in LDB and optimisation of segregated power by the timer control circuit in BF plant.
6. Reduction of FO consumption in plate mill by closing oil firing according to mill stoppage duration.
7. Reduction of electrical power consumption in plate mill by switching off various electrical systems and sub-systems according to mill stoppage duration.
8. Installation of 2x3330 KVAR, 1x4000 KVAR Filter bank at 33 KV level and 1x1932 KVAR Filter bank at 6.6 KV level at Wire Rod Mill (WRM) to reduce the active peak power consumption of WRM and similar kind of filter bank has also been commissioned at Bar mill for the same purpose.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

1. Changing of motor connection from delta to star of FD fans of WHRB boilers of 3x25 MW power plant.
2. Shifting 23 kVA lighting load to the MLDB 1&2 (TG-3M - with lighting energy saver) from MLDB 1&2 (TG-3M - without saver) in 3x25 MW power plant.
3. Operating one transformer out of the two identified transformers having tie breakers to reduce losses in 3x25 MW power plant.
4. Replacement of higher size raw water pump to appropriate smaller size in 2x55 MW power plant.
5. Installation of lighting T/R in AHP of 2x25MW power plant.

c) Impact of the measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods:

1. Electrical power saving of 92.0 kW/hr is achieved in one no. of VFD.
2. Electrical power saving of 276 kW/hr is achieved in total 3 nos. of VFD.
3. Specific consumption of FO reduced from 29.4 Lit/ton to 27.4 Lit/ton.
4. Electrical power saving of 12.5 kW/hr is achieved.
5. Electrical power saving of 35 kW/hr is achieved.
6. Specific consumption of FO reduced from 25.8 Lit/ton to 25.0 Lit/ton.
7. Specific Electrical power consumption reduced from 123 kW/ton to 107 kWh/ton.
8. Reduced peak active power consumption from 20.16 MVA to 16.83 MVA at Wire Rod Mill.

d) Total energy consumption and energy consumption per unit of production

As per Form A given hereafter

FORM A

Form for disclosure of particulars with respect to Conservation of Energy.

a) Power & Fuel consumption

	Current Year	Previous Year
1. ELECTRICITY		
a) Purchased:		
Units ('000 kwh)	267,825.38	60,257.13
Total amount (Rs. in lacs)	12,413.33	2,615.24
Rate/Unit (Rs.)	4.63	4.34
b) Own generation:		
i) Through diesel generator		
Units ('000 kwh)	25,373.17	4,201.01
Units per ltr. of diesel Oil	3.19	3.43
Cost / unit (Rs.)	13.20	9.99
ii) Through steam turbine / generator		
Units ('000 kwh)	2,514,277.12	1,999,854.16
Units per ltr. of fuel Oil / Gas	Nil	Nil
Cost / units (Rs.)	NA	NA


a) Power & Fuel consumption (Contd.)

	Current Year	Previous Year
2. COAL		
a) Non Coking Coal*		
Quantity (MTs)	5,504,543.91	4,629,105.54
Total cost (Rs. in lacs)	54,841.36	42,800.36
Average rate / MT (Rs.)	996.29	924.59
b) Coking Coal **		
Quantity (MTs)	1,133,058.00	1,023,075.23
Total cost (Rs. in lacs)	110,635.00	100,234.64
Average rate / MT (Rs.)	9,764.29	9,797.39
3. COKE		
Quantity (MTs)	134,888.00	115,671.15
Total cost (Rs. in lacs)	18,584.00	10,616.00
Average rate / MT (Rs.)	13,778.00	9,177.74
4. FURNACE OIL / L.D.O.		
Quantity (K. ltrs)	102,843.00	40,128.35
Total cost (Rs. in lacs)	32,333.00	10,378.94
Average rate / Ltr (Rs.)	31.44	25.86
5. OTHERS / INTERNAL GENERATION		
Quantity	NIL	NIL
Total cost (Rs. in lacs)	NA	NA
Average rate / Kg. (Rs.)	NA	NA
b) Consumption per unit of production		
1. ELECTRICITY		
For Sponge Iron mfg. (unit / ton)	73.11	81.79
For Silico Manganese mfg. (unit / ton)	4,564.90	NIL
For Slab / Rounds / Beam /Blank mfg. (unit / ton)	524.13	572.56
For Rail / Beam / Channels mfg. (unit / ton)	173.03	165.22
For Plate / Coils mfg. (Unit / ton)	116.00	109.06
For Wire Rod (Unit / ton)	314.54	NA
For Medium Light Section (Unit / ton)	354.01	NA
For Cement (Unit / ton)	63.37	NA
For Steel melting (Ingots & Casting) (unit / ton)	1,225.44	978.00
For Machine / machinery parts mfg. (unit / ton)	507.58	355.00
For Pellet (unit / ton)	60.44	65.00
2. COAL		
For Sponge Iron mfg. (mt. / ton)	1.37	1.43
For Silico Manganese mfg. (mt. / ton)	0.39	NIL
For Power Plant (kG / Kwh)	0.95	0.81

* used in manufacturing of Sponge Iron / Power Plant.

** used in Coke oven and ultimately consumed in Blast Furnace.

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form B given below

FORM B

(Form for disclosure of particulars with respect to absorption)

RESEARCH AND DEVELOPMENT (R&D):

a. Specific areas in which R&D carried out by the Company

1. In-house Development of break out prediction system in collaboration with M/s Rockwell Automation.
2. Water modeling study on yield improvement of combi caster tundish by reducing skull and improving steel cleanliness in collaboration with IIT- Kanpur.
3. Study to minimise accretion by using Spinnel and Chrome ore fines in coal based rotary kilns.
4. Measurement of residual stress of UIC-60 rails & IRS 52 rails.
5. Comparison of steel produced through VD & RH Route with respect to cleanliness & gas content.
6. Study for development of weather resistant structural steel.
7. Evaluation of coking coal from Mozambique & Zimbabwe.
8. Study of factors affecting fractures toughness of Gr. 880 Rails.
9. The effect of usage of South African PCI Coal with Australian PCI Coal in Blast Furnaces.
10. Reduction of moisture to below 5% in coke.

b. Benefits derived as a result of the above R&D:

1. System started on full fledged basis, casting speed increased by 30%
2. Tundish skull generation reduced by 2.5T/ sequence.
3. Commercial trials conducted with Spinnel and concluded that techno economically Spinnel is not suitable.
4. The straightening procedure was standardised.
5. Gas content found comparatively less in heat processed through RH Degasser.
6. New steel developed for corrosion resistant structural application.
7. Coal can be classified for Coke making and other applications.
8. Rail Steel chemistry standardised with respect to % S.
9. Costly PCI coal can be partially replaced.
10. BF grade coke moisture content achieved less than 5%. Thereby, substantial savings in coke consumption at BF 2.

c. Future plan of action:

1. Blend optimisation of coking coal with respect to CSR, CRI and MMR with the help of Pilot Coke Oven and Petrography studies.
2. Defect free continuous casting of larger section slabs at the desired through put rate with IIT Kanpur.
3. Study on ultrasonic test failure in plates.
4. Study on techno economics of using DRI in Mini Blast Furnace.
5. Study on techno economics and optimised use of pellets in Blast Furnace.
6. Study on techno economics of using PCI coal in DRI.
7. Improvement of end straightening of rails thru modification in straightening line.



8. Development of Boiler quality plates with required impact value of 27joule at -46°C.
9. Study on slag detection system in slab caster.
10. Development of steel grades for wire drawing applications.
11. Reduction in ferro alloy consumption at SMS.
12. Pilot coke oven trial of Mozambique wash coal to find out suitability of that source for use in coal blend for cost reduction.

d. Expenditure on R&D

a) Capital	:	Rs. 645.72 lacs
b) Recurring	:	Rs. 579.68 lacs
c) Total	:	Rs. 1225.40 lacs
d) Total R&D expenditure as a percentage of total turnover	:	0.13%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

a. Efforts in brief, made towards technology absorption, adaptation and innovation and Benefits derived as a result:

1. In-house development of break out prediction system in collaboration with M/s Rockwell Automation and IIT-Kanpur at one fifth cost of imported technology: System started on full fledged basis, casting speed increased by 30%.
2. New straightening machine installed to straighten Beams beyond 700mm. Technology and equipment supplied by SMS-Meer.
3. New steel developed for corrosion resistant structural application.
4. BF grade coke moisture content achieved less than 5%. Thereby, substantial savings in coke consumption at BF 2.
5. 44 Nos of new grades developed.
6. Sections developed at Rail & Structural Mill through internal efforts.

b. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.

1. Technology Imported:

2006-07	2007-08	2008-09	2009 - 10	2010 - 11
1) Universal tandem rolling in Rail & Universal Beam Mill	1) RH degasser	1) 100T Electric Arc Furnace, Ladle Furnace and FES from Sarrale, Spain.	1) Medium Light Structural Mill supplied by M/S Danielle.	1) New straightening machine installed to straighten Beams beyond 700mm. Technology and equipment supplied by SMS_Meer.
			2) Slag grinding unit for production of cement using fly ash and blast furnace slag	

2. Year of import: as given above
3. Has technology been fully absorbed: Yes
4. If not fully absorbed, areas where this has not taken place, reason therefore and future plans of action:

FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Activities relating to Export

I) INITIATIVES TAKEN TO INCREASE EXPORT:

The overall product offering for export market has been enhanced this year by way of development of market for various new products such as - Rails for the Iranian Railways System, Cast Rounds in high end alloy grades for the seamless pipe producers in Middle East and Europe, Wire rods for top end of High Carbon W-Rods consuming segment (LRPC segment) catering to the construction sector in Middle-East, and commencement of supply of special grade plates for the Oil & Gas and Ship building industry overseas. Persistent efforts have been started for exploration and development of rail supply possibilities overseas and measures to get an independent audit and certification of Rail Mill done by a reputed independent railways certifying agency has been started. Project specific approvals from some of the Oil & Gas and associated companies such as GASCO, CBI, IMCC in Middle-East were achieved. GL certification of the plate mill was achieved for expanding the reach to the Ship building industry. Visits to overseas destinations by export sales managers were made more frequent and regular to develop better understanding of the market. A full fledged port operations and ship chartering team has been put in place, which would increase our reach by way of being able to make more and more CNF offers to customers and by increasing the overall effectiveness of operations.

II) DEVELOPMENT OF NEW EXPORT MARKET FOR PRODUCTS AND SERVICES AND EXPORT PLANS:

The quantum of steel exports in year 2010-11 was highest ever at over 200,000 mt, which augurs well for the coming years in view of the increasing volumes. In spite of increasing competition in the export market from new suppliers including Indian suppliers during the financial year 2010-11 and a continuing price gap between domestic and international market as well as slow recovery in the construction market in Middle East and Europe, we have been able to achieve consistent sales for the products which has required crucial off-take support by way of exports such as Rails, Cast rounds, Billets and Wire rods consistently fetching better realisations than the domestic market.

With growing volumes and product range, a strategy of consistent exports and market presence upto a certain portion of annual sales is being considered. We are focusing on acquisition of new customers and retaining existing ones through re-assurance of support to them on supplies, increased product range and better delivery conditions. Quality and Delivery schedule is the key objective besides developing supply discipline and logistics to target project segments in export market which require tighter delivery schedules and quality norms.

b. Total Foreign Exchange used and earned

- I) FOREIGN EXCHANGE USED : Rs. 178.24 Crores
- II) FOREIGN EXCHANGE EARNED : Rs. 1,073.61 Crores

For and on behalf of the Board

Place: New Delhi
Date: 21st April, 2011

Savitri Jindal
Chairperson



Corporate Governance Report



1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance philosophy of the Company is based on the principles of equity, fairness, transparency, spirit of law and honest communication. Company believes that sound Corporate Governance is necessary to retain stakeholders' trust and ensures efficient working and proper conduct of the business of the Company with integrity. Development of Corporate Governance guidelines is a continuous process which evolves over a period of time and undergoes changes to suit the changing times and needs of the business, society and the nation.

2) BOARD OF DIRECTORS

i) Composition and Attendance

Structure of Board of Directors during the financial year 2010-11 and attendance at Board Meetings held during the year 2010-11 and Annual General Meeting (AGM) held on 28th September, 2010 are given below.

Sl.No	Name and Designation	Category	Attendance in FY 2010-11	
			Board Meetings	AGM
1.	Smt. Savitri Jindal# Chairperson	Non – Executive and Promoter	0/4	Yes
2.	Shri Ratan Jindal# Director	Non – Executive and Promoter	3/4	No
3.	Shri Naveen Jindal# Executive Vice Chairman & Managing Director	Executive and Promoter	4/4	Yes
4.	Shri Vikrant Gujral Group Vice Chairman & Head Global Ventures	Executive	0/4	No
5.	Shri Anand Goel Joint Managing Director	Executive	4/4	No
6.	Shri S. Ananthkrishnan Nominee Director (IDBI Bank Limited)	Non Executive and Independent	1/4	No
7.	Shri A.K. Purwar Director	Non Executive and Independent	2/4	No
8.	Shri R.V. Shahi Director	Non Executive and Independent	4/4	Yes

The Company believes that sound Corporate Governance is necessary to retain stakeholders' trust and ensures efficient working and proper conduct of the business of the Company with integrity.

Sl.No	Name and Designation	Category	Attendance in FY 2010-11	
			Board Meetings	AGM
9.	Shri Haigreve Khaitan Director	Non Executive and Independent	1/4	No
10.	Shri Hardip Singh Wirk Director	Non Executive and Independent	4/4	No
11.	Shri Rahul Mehra Director	Non Executive and Independent	3/4	No
12.	Shri Arun Kumar Director	Non Executive and Independent	4/4	No
13.	Shri Sushil Maroo Director	Non Executive	4/4	Yes
14.	Shri Arun Kumar Mukherji* Wholetime Director	Executive	2/3	No
15.	Shri Naushad Akhter Ansari** Wholetime Director	Executive	1/1	NA

Smt. Savitri Jindal is mother of Shri Naveen Jindal and Shri Ratan Jindal.

* Ceased to be Director and Wholetime Director w.e.f 23rd November, 2010.

**Appointed as Additional and Wholetime Director w.e.f 1st December, 2010.



ii) Other Directorships

The number of directorships held in other bodies corporate by the Directors as on 31st March, 2011 are as follows:-

Name of Director	No. of Directorships in other Companies			No. of Chairmanship / Membership of Committees	
	Private	Public	Foreign	Chairmanship	Membership
Smt. Savitri Jindal	0	8	0	0	0
Shri Ratan Jindal	1	7	6	0	0
Shri Naveen Jindal	0	5	0	0	0
Shri Vikrant Gujral	0	1	7	0	0
Shri Anand Goel	2	10	8	0	1
Shri S. Ananthkrishnan	0	1	0	0	1
Shri A.K. Purwar	4	10	0	3	4
Shri R.V. Shahi	1	2	0	3	0
Shri Haigreave Khaitan	2	16*	0	0	9
Shri Hardip Singh Wirk	1	1	0	0	1
Shri Rahul Mehra	0	0	0	0	0
Shri Arun Kumar	0	0	0	0	0
Shri Sushil Maroo	1	10	8	0	5
Shri Naushad Akhter Ansari	0	0	0	0	0

* Includes two companies where he has been appointed as an Alternate Director.

iii) Details of contract of service of Directors

Name	Period of contract	Date of appointment	Notice period
Shri Naveen Jindal	9th May, 2008 to 8th May, 2013	9th May, 2008	Nil
Shri Vikrant Gujral	17th April, 2011 to 31st March, 2014	17th April, 2011	Nil
Shri Anand Goel	1st August, 2010 to 31st July, 2015	1st August, 2010	Nil
Shri Naushad Akhter Ansari	1st December, 2010 to 30th November, 2015	1st December, 2010	Nil

Appointment of Wholetime Directors is governed by resolutions passed by the Board of Directors and shareholders of the Company, which cover the terms and conditions of such appointments, read with the service rules of the Company. There is no separate provision for the payment of severance fee under the resolutions governing the appointment of Wholetime Directors.

iv) Board Meetings

The Board of Directors has met four times during the year on 4th May, 2010, 28th July, 2010, 26th October, 2010 and 24th January, 2011. Detailed agenda notes and the information required to be given in terms of business on the agenda were circulated in advance to the Directors and all matters with explanatory notes / reports relating to the

respective Committees were circulated sufficiently in advance of their meetings.

Brief introduction of Directors proposed to be appointed / reappointed at the forthcoming Annual General Meeting

Smt. Savitri Jindal, Shri Ratan Jindal, Shri Anand Goel and Shri Arun Kumar Purwar, Directors of the Company retire by rotation and being eligible offer themselves for reappointment at the forthcoming Annual General Meeting. Shri Naushad Akhter Ansari was appointed as Additional and Wholetime Director of the Company w.e.f 1st December, 2010. The Company has received notice from a member for his appointment as Director by the shareholders in the forthcoming Annual General Meeting.

SMT. SAVITRI JINDAL is wife of Late Shri O.P. Jindal, who was a great visionary, renowned industrialist and Jindal Group patriarch. She is Chairperson of JSW Steel Limited, Jindal Saw Limited, Jindal Stainless Limited, Jindal Industries Limited, Jindal ITF Limited and JITF Water Infrastructure Limited and Director on the Board of Rohit Tower Building Limited and Sonabheel Tea Limited. She is a member of Haryana Legislative Assembly since 2005 and she was re-elected as member of Haryana Legislative Assembly in 2010. As a member of Legislature, she is making strenuous efforts to enhance the Government intervention and put the administrative machinery to the best use in eradication of poverty, illiteracy, social evils and improving the governance in the Country. She is involved in multiple social welfare activities benefiting the disadvantaged sections of the society. She holds 11,16,540 equity shares of Re. 1/- each as on 31st March, 2011 in the Company.

SHRI RATAN JINDAL is a commerce graduate and has attended the Advanced Management Programme at Wharton Business School, USA. He was appointed as Director of Jindal Strips Limited in 1979 and became its Managing Director in 1989. After restructuring of this company he became Vice Chairman and Managing Director of JSL Stainless Limited (formerly JSL Limited) in July, 2003. He has wide knowledge and working experience of steel industry. He is Director of Nalwa Farms Private Limited, Shalimar Paints Limited, Jindal Stainless Mauritius Limited, Sonabheel Tea Limited, Jindal Stainless, FZE, Jindal Industries Limited, OPJ Investments & Holdings Limited, Nalwa Financial

Services Limited, JSL Group Holding Pte. Limited, JSL Ventures Pte. Limited, JSL Europe SA. He is on the Board of the International Stainless Steel Forum ("ISSF"), a forum established to focus on the development of stainless steel worldwide. He is currently the chairman of the Economics & Statistics Committee of the ISSF. He is a member of various national and international organisations, including the US based Young President's Organisation, the CII, FICCI, the Punjab, Haryana and Delhi Chamber of Commerce and Industry, International Iron and Steel Institute, ISSDA and Nickel Development Institute. He is member of Board of Management of CCS Haryana Agriculture University. He is also committed to corporate social responsibility and inclusive management and is instrumental in supporting quality education and community welfare causes. He holds 20,370 equity shares of Re. 1/- each as on 31st March, 2011 in the Company.

SHRI A. K. PURWAR is M.Com and holds diploma in Business Administration. He was Chairman of State Bank of India (SBI) upto May 2006. Prior to his appointment as Chairman of SBI, he was the Managing Director of State Bank of Patiala and CEO of Tokyo Branch of SBI. He is an experienced banker and expert in financial management. He had been awarded as CEO of the year by the Institute for Technology & Management (2004), Outstanding Achiever of the year Award by Indian Banks Association (2004) and "Finance Man of the year" Award by the Bombay Management Association in 2006. He is Chairman of IL&FS Renewable Energy Limited, India Infoline Investment Services Limited and IndiaVentures Advisors Private Limited. He is Director on the Board of Vardhman Textiles Limited, Reliance Communications Limited, Apollo Tyres Limited, Engineers India Limited, India Infoline Limited, Jindal Power Limited, C & C Constructions Limited, ONGC Tripura Power Company Limited, Energy Infratech Private Limited, Sri Kavery Medical Care (Trichy) Private Limited, Mizuho Securities India Private Limited. He does not hold any equity share in the Company as on 31st March, 2011.

SHRI ANAND GOEL is MBA from BITS Pilani and has thirty six years of working experience in steel industry. He has served Jindal Strips Limited for 26 years in various managerial capacities. He was appointed on the Board of the Company on 9th May, 1998. He was appointed as a Wholetime Director of the Company w.e.f. 1st August, 2000 and was promoted to Deputy Managing Director



from 1st August, 2006 and Joint Managing Director from 27th May, 2009. He is Director of Jindal Power Limited, Subansiri Hydro Electric Power Company Limited, Etalin Hydro Electric Power Company Limited, Attunli Hydro Electric Power Company Limited, Minerals Management Services (India) Private Limited, Gagan Power Limited, Power Plant Engineers Limited, Opelina Finance and Investment Limited, Shresht Mining and Metals Private Limited, Jindal Petroleum Limited, Jindal Synfuels Limited, Worth Overseas Limited, Jindal Minerals & Metals Africa Congo SPRL, Jindal Steel & Power (Mauritius) Limited, Jindal Mineral & Metals Africa Limited, Jindal Petroleum (Georgia) Limited, Jindal Petroleum (Mautitius) Limited, Enduring Overseas Limited and Synergy Infrastructure Private Limited (Nepal). He holds 60,000 equity shares of Re. 1/- each as on 31st March, 2011 in the Company.

SHRI NAUSHAD AKHTER ANSARI is B.Sc. Engineering (Mechanical) from Aligarh Muslim University, Aligarh and has completed Management courses from Wharton School of Business, USA, and INSEAD, Singapore and from Indian School of Business, Hyderabad. He has vast experience of 36 years in steel industry. He joined the Company on 1st September, 2008 as an Executive Director – Patratu works and was later on transferred to Raigarh works. He has been appointed as Wholetime Director w.e.f. 1st December, 2010. Prior to joining the Company he had worked with Tata Steel Limited, Jamshedpur for 34 years in various capacities. He does not hold any equity share in the Company as on 31st March, 2011.

3) COMMITTEES OF THE BOARD

Board has, from time to time, constituted various committees, details of which are given below:

Details of attendance are given below:

Name of Members	Date of meeting			
	03.05.2010	28.07.2010	26.10.2010	22.01.2011
Shri R. V. Shahi	Y	Y	Y	Y
Shri S. Ananthkrishnan	N	Y	N	Y
Shri Haigreave Khaitan	Y	N	Y	N
Shri Sushil Maroo	Y	Y	Y	Y

i) Audit Committee

The Audit Committee is vested with role and powers as mentioned in para C & D respectively of Clause 49(II) of the Listing Agreement. The Audit Committee provides direction to the audit functions and monitors the quality of internal and statutory audit. The responsibilities of the Audit Committee include overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements, recommendation of appointment and removal of statutory auditors, cost auditors and appointment of internal auditors and fixation of their remuneration, review of the quarterly and annual financial statements before submission to the Board, review of the adequacy of internal control systems and the internal audit function, review of compliance with laws, inspection of records and audit reports and reports of statutory auditors, review of findings of internal investigations, review of statement of significant related party transactions, review of management discussion and analysis, review of management letters / letter of internal control weaknesses issued by statutory auditors, discussion on the scope of audit with external auditors and examination of reasons for substantial defaults, if any, in the payment to stakeholders.

The Audit Committee of the Company consists of three Independent Non Executive Directors, namely, Shri R. V. Shahi, Shri S. Ananthkrishnan and Shri Haigreave Khaitan and one Non Executive Director, namely, Shri Sushil Maroo. Four Audit Committee meetings were held on 3rd May, 2010, 28th July, 2010, 26th October, 2010 and 22nd January, 2011 during the financial year 2010-11. Shri R.V. Shahi is the Chairman of Audit Committee.

ii) Remuneration Committee

Except sitting fees, the Company is not paying any remuneration to the Non-Executive Directors. Therefore, no remuneration committee has been constituted.

Remuneration of Directors

Details of remuneration paid to Directors of the Company for the financial year ended on 31st March, 2011 are as follows:

(Rs. in Lacs)						
Sl. No	Name	Sitting Fees	Salary	Perquisites and benefits	Share in profit/ Incentive	Total
1.	Smt. Savitri Jindal	---	---	---	---	---
2.	Shri Ratan Jindal	0.60	---	---	---	0.60
3.	Shri Naveen Jindal	---	1,061.51	---	5,659.00	6720.51
4.	Shri Vikrant Gujral	---	261.84	235.54	100.00	597.38
5.	Shri Anand Goel	---	190.06	173.19	---	363.25
6.	Shri S. Ananthakrishnan*	0.30	---	---	---	0.30
7.	Shri A.K. Purwar	0.40	---	---	---	0.40
8.	Shri R.V. Shahi	1.00	---	---	---	1.00
9.	Shri Haigreave Khaitan	0.30	---	---	---	0.30
10.	Shri Hardip Singh Wirk	0.80	---	---	---	0.80
11.	Shri Rahul Mehra	0.60	---	---	---	0.60
12.	Shri Arun Kumar	0.80	---	---	---	0.80
13.	Shri Sushil Maroo	1.20	---	---	---	1.20
14.	Shri Arun Kumar Mukherji	---	70.91	113.48	---	184.39
15.	Shri Naushad Akhter Ansari	---	26.08	1.33	---	27.41

* In case of Nominee Director, the sitting fee was directly paid to IDBI Bank Limited.

Notes:

- 1) Non Executive Directors of the Company are not entitled to any remuneration other than sitting fees.
- 2) Salary & perquisites include all elements of remuneration i.e. salary, reimbursement and other allowances and benefits including employer's provident fund contribution and perquisite value of shares allotted under ESOP.
- 3) In addition to above salary, Wholtime Directors are also entitled to payment of target variable pay for the financial year 2010-11 which will be paid in due course.

Stock Options granted to Directors

Wholtime Directors of the Company have been granted Stock Options under Employee Stock Option Scheme-2005 (Scheme) of the Company. According to the Scheme, shares under Series-I, Part-III were allotted to them on 23rd June, 2010. Details of options granted and shares allotted to Wholtime Directors are given below:

Sl. No	Name	Shares allotted (Series-I, Part-III)
1.	Shri Vikrant Gujral	40,800
2.	Shri Anand Goel	30,000
3.	Shri Sushil Maroo	30,600
4.	Shri Arun Kumar Mukherji	18,360



iii) Shareholders' / Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee consists of Shri Anand Goel and Shri Sushil Maroo. The Committee met 4 times on 21st April, 2010, 16th July, 2010, 18th October, 2010 and 12th January, 2011. Shri T.K. Sadhu, Company Secretary is the Compliance Officer. During the year the Company received 36 complaints from shareholders and all were resolved including the complaints pending on 31st March, 2011.

iv) Compensation Committee (Stock Options)

Shri R.V. Shahi, Shri S. Ananthkrishnan and Shri Sushil Maroo are members of the Compensation Committee. No meeting of this Committee was held during the financial year 2010-11 because no stock options were granted during the year under report.

v) Sub-Committee of Directors

The Sub-Committee of Directors consists of Shri Naveen Jindal, Shri Vikrant Gujral, Shri Anand Goel and Shri Sushil Maroo. Board has delegated specific powers to the Sub-Committee of Directors, from time to time, for taking decisions in connection with day to day affairs of the Company and during the year under report the Committee met twenty five (25) times.

vi) Committee of Directors (Limited Review)

The Committee constituted in terms of clause 41 of the listing agreement, consists of Shri Naveen Jindal, Shri Vikrant Gujral, Shri Sushil Maroo and Shri R.V. Shahi. During the year 2010-11 no meeting of this Committee was held.

4) GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held at the registered office of the Company at O.P. Jindal Marg, Hisar 125005 (Haryana) on the following dates and times, wherein the following special resolutions were passed:

AGM	Year	Date, Day & Time	Brief Description of Special Resolutions
31st	2009-10	28th September, 2010 Tuesday, 12.00 Noon	<ul style="list-style-type: none"> Revision, subject to approval of Central Government, of salary of Shri Paras Goel, Assistant General Manager – Sales & Marketing. Giving of authority to Board pursuant to Section 81(1A) to offer, allot, issue any security including ADR, GDR & FCCB etc. upto US\$ 750 Million.
30th	2008-09	29th September, 2009 Tuesday, 12.00 Noon	<ul style="list-style-type: none"> Giving of authority to Board to contribute an amount not exceeding Rs. 200 crores to M/s. Om Prakash Jindal Gramin Jan Kalyan Sansthan and / or O.P. Jindal Global University. Appointment, subject to the approval of Central Government, Shri Paras Goel as Assistant General Manager – Sales & Marketing. Giving of authority to Board pursuant to Section 81(1A) to offer, allot, issue any security including ADR, GDR & FCCB etc. upto US\$ 750 Million.
29th	2007-08	26th September, 2008 Friday, 12.00 Noon	<ul style="list-style-type: none"> Giving of authority to Board pursuant to Section 81(1A) to offer, allot, issue any security including ADR, GDR & FCCB etc. upto US\$ 750 Million.

5) DISCLOSURES

Neither has any non compliance with any of the legal provisions of the Companies Act, 1956 been made by the Company nor any penalty or stricture imposed by the stock exchanges or SEBI or any other statutory authority on any matter related to the capital markets during the last 3 years. All the mandatory requirements of Clause 49 are being complied with.

6) WHISTLE BLOWER POLICY

The Company has laid down a Business Code of Conduct as well as Whistle Blower Policy for all its employees across the organisation. The Code lays down that the employees shall promptly report any concern or breach and not to hesitate in reporting a violation or raising a policy concern to concerned superior. The Policy provides that the Company shall support and protect the employees for doing so.

8) GENERAL SHAREHOLDERS INFORMATION**a) Financial Calendar 2011-12**

First Quarter Results	:	Upto 14th August, 2011
Second Quarter Results	:	Upto 14th November, 2011
Third Quarter Results	:	Upto 14th February, 2011
Fourth Quarter Results	:	Upto 15th May, 2012

Alternatively,

Annual Results for the year ending on 31st March, 2012	:	on or before 30th May, 2012
--	---	-----------------------------

The amount of dividend for the financial year 2010-11 will be deposited with the bank within 5 days of approval by the shareholders in the forthcoming Annual General Meeting and its payment will be made within 30 days of its declaration.

b) Listing of shares on stock exchanges and stock code

Sl. No.	Name of the stock exchange	Stock code
1	The Bombay Stock Exchange Limited	532286
2	National Stock Exchange of India Limited	JINDALSTEL.EQ

7) MEANS OF COMMUNICATION

Information like quarterly / half-yearly / annual financial results and press releases on significant developments in the Company that have been made available from time to time, to the press is hosted on the Company's website www.jindalsteelpower.com and has also been submitted to the Stock Exchanges to enable them to put them on their websites and communicate to their members. The quarterly / half-yearly / annual financial results are published in English and Hindi language newspapers. Moreover, a report on management discussion and analysis has been given else where in this report. The Company is electronically filing specific documents / statements on the corpfiling website viz., www.corpfiling.co.in.



c) Listing of Debt Instruments on stock exchanges and codes

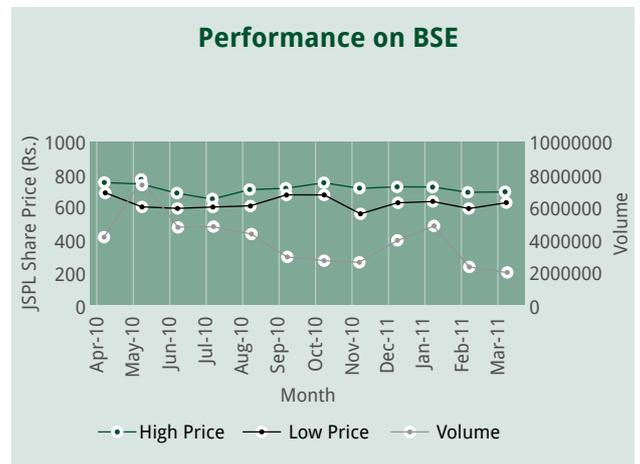
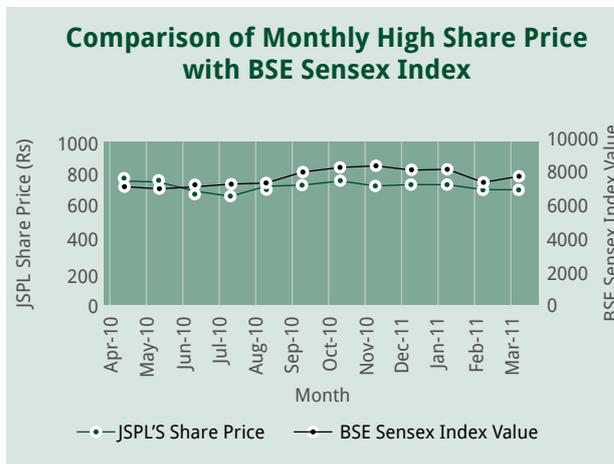
The following Non-Convertible Debentures have been listed on The Bombay Stock Exchange Limited:

Particulars	ISIN	Stock code
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07151	946489
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07169	946490
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07177	946486
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07201	946487
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07227	946488
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07250	946491
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07185	946506
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07193	946509
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07219	946514
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07268	946517
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07284	946518
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07300	946638
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07318	946639
8.50% - NCDs of Face value of Rs. 10 lacs	INE749A07235	946613
8.50% - NCDs of Face value of Rs. 10 lacs	INE749A07243	946614
9.80% - NCDs of Face value of Rs. 10 lacs	INE749A07276	946672
MIB+600bps - NCDs of Face value of Rs. 10 lacs	INE749A07292	946615

d) Market Price Data – BSE

Month	Sensex			JSPL Share Price		
	High	Low	Close	High Price	Low Price	Volume
Apr-10	18,047.86	17,276.80	17,970.02	754.00	698.10	4,271,648
May-10	17,536.86	15,960.15	17,386.08	745.00	607.10	7,712,840
Jun-10	17,919.62	16,318.39	17,876.55	689.50	605.00	4,910,209
Jul-10	18,237.56	17,395.58	18,130.98	659.70	610.00	4,865,359
Aug-10	18,475.27	17,819.99	18,454.94	717.80	614.10	4,503,028
Sep-10	20,267.98	18,027.12	20,117.38	724.00	681.00	3,074,958
Oct-10	20,854.55	19,768.96	20,687.88	755.25	681.25	2,868,082
Nov-10	21,108.64	18,954.82	21,004.96	725.00	572.70	2,743,593
Dec-10	20,552.03	19,074.57	20,509.09	728.75	633.00	4,080,136
Jan-11	20,664.80	18,038.48	20,561.65	735.00	643.00	4,954,372
Feb-11	18,690.97	17,295.62	18,506.82	699.00	604.10	2,462,019
Mar-11	19,575.16	17,792.17	19,445.22	701.50	637.00	2,115,482

The Company's share is a part of BSE Sensex. Therefore, comparison has been made with it.

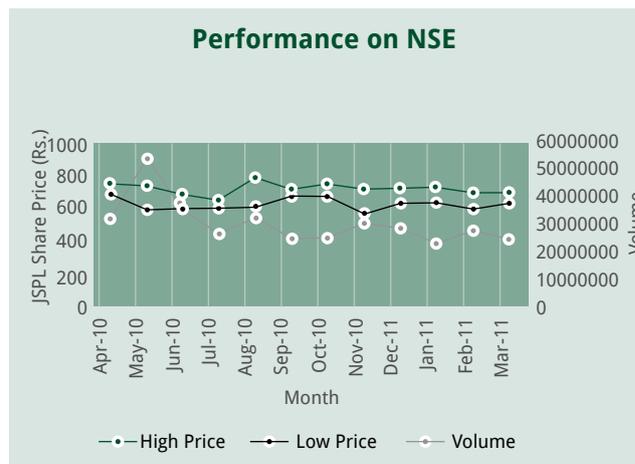
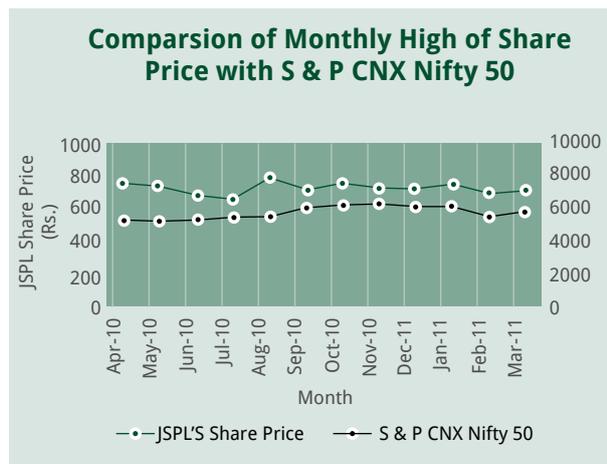




e) Market Price Data – NSE

Month	S&P CNX Nifty 50			JSPL Share Price		
	High	Low	close	High	low	Volume
Apr-10	5,399.65	5,160.90	5,374.65	753.90	696.15	32,639,239
May-10	5,278.70	4,786.45	5,222.75	743.45	600.00	54,753,070
Jun-10	5,366.75	4,961.05	5,353.30	689.25	602.10	35,935,880
Jul-10	5,477.50	5,225.60	5,449.10	658.00	610.00	26,978,119
Aug-10	5,549.80	5,348.90	5,543.50	796.10	613.55	32,829,781
Sep-10	6,073.50	5,403.05	6,035.65	723.00	681.55	25,363,923
Oct-10	6,284.10	5,937.10	6,233.90	755.00	681.00	25,634,912
Nov-10	6,338.50	5,690.35	6,312.45	724.35	574.35	30,946,936
Dec-10	6,147.30	5,721.15	6,134.50	728.90	636.00	29,252,320
Jan-11	6,181.05	5,416.65	6,157.60	735.90	642.75	23,647,275
Feb-11	5,599.25	5,177.70	5,546.45	700.45	603.90	28,234,510
Mar-11	5,872.00	5,348.20	5,833.75	701.00	636.20	25,113,492

The Company's share is a part of S & P CNX Nifty 50. Therefore, comparison has been made with it.



f) Share Transfer Agent

All the work relating to the share registry for the shares held in the physical form as well as the shares held in the electronic (demat) form is being done at one single point and for this purpose SEBI registered category I Registrar and Transfer Agent has been appointed, whose details are given below:

Alankit Assignments Limited:
Alankit House, 2E/21
Jhandewala Extension,
New Delhi-110055
Tel: 011-42541234
Fax: 011-23552001
Email: alankit@alankit.com

g) Share Transfer System

Presently, the share transfer instruments which are received in physical form, are processed by R&T agent, Alankit Assignments Limited and the share certificates are dispatched within a period of 30 days from the date of receipt thereof, subject to the documents being complete and valid in all respects. The requests for dematerialisation of shares are also processed by the R&T agent within stipulated period of 21 days and uploaded with the concerned depositories. In terms of Clause 47(c) of the Listing Agreement, Company Secretary in practice examines the records and procedure of transfers and issues half yearly certificate which is being sent to the stock exchanges, where shares of the Company are listed.

h) Distribution of Shareholding

The shareholding distribution of equity shares as on 31st March, 2011 is given hereunder:

Nominal value of each share is Re 1/-

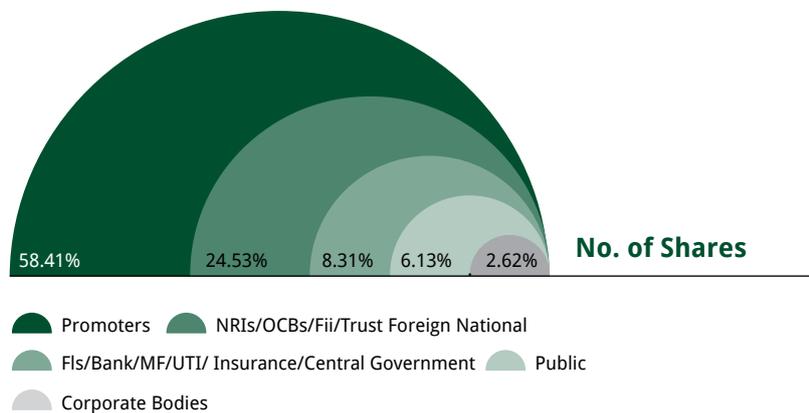
No. of shareholders	% to total	Shareholding of nominal value of Rs.	No. of shares	Amount in Rs.	% to total
80,815	65.25	Up to 100	25,87,192	25,87,192	0.28
17,114	13.82	101 to 500	40,22,231	40,22,231	0.43
4,704	3.80	501 to 1000	35,21,036	35,21,036	0.38
17,234	13.91	1001 to 5000	3,82,46,232	3,82,46,232	4.09
2,003	1.62	5,001 to 10,000	1,45,82,442	1,45,82,442	1.56
1,055	0.85	10,001 to 20,000	1,41,82,819	1,41,82,819	1.52
225	0.18	20,001 to 30,000	56,05,908	56,05,908	0.60
103	0.08	30,001 to 40,000	36,22,568	36,22,568	0.39
71	0.06	40,001 to 50,000	31,91,089	31,91,089	0.34
156	0.13	50,001 to 1,00,000	1,13,26,395	1,13,26,395	1.21
218	0.17	1,00,001 to 5,00,000	5,18,29,407	5,18,29,407	5.55
166	0.13	5,00,001 and above	78,15,48,585	78,15,48,585	83.65
1,23,864	100	TOTAL	93,42,69,031	93,42,69,031	100



i) Categories of Shareholders (as on 31st March, 2011)

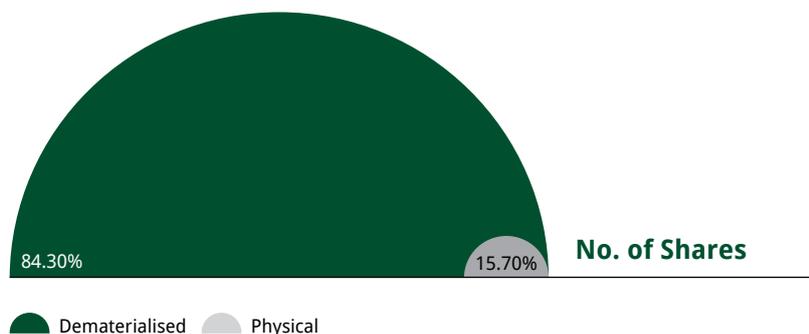
The categories of shareholders are shown hereunder:

Category	No. of Shares	% of Holding
Promoters	54,57,09,422	58.41
FIs/ Banks/MF/UTI/ Insurance/Central Government	5,72,59,920	6.13
Corporate Bodies	2,44,83,875	2.62
NRIs/OCBs/FII/ Trust/ Foreign National	22,91,51,910	24.53
Public	7,76,63,904	8.31
TOTAL	93,42,69,031	100.00



j) Dematerialisation of shares

As on 31st March, 2011, the number of equity shares held in dematerialised form was 78,76,10,259 (84.30%) and in physical form was 14,66,58,772 (15.70%) equity shares.



k) Compliances under Listing Agreement

Company is regularly complying with the provisions of the Listing Agreement. Information, certificates and returns as required under Listing Agreement are sent to the stock exchanges within the prescribed time.

l) Convertible instrument

No further Options were granted after Series III of the Employee Stock Option Scheme-2005 of the Company. Shares under Part II of Series II were allotted on 13th April, 2010, Part-III of Series-I were allotted on 23rd June, 2010, Part II of Series III were allotted on 1st February, 2011 and Part III of Series-II were allotted on 14th April, 2011. Option under Part III of series III will vest on 27th April, 2011. Eligible employees are entitled to exercise their options within 6 months from date of vesting and shares will be allotted to them in due course of time.

m) Information on deviation from Accounting Standards, if any

There has been no deviation from the Accounting Standards in preparation of annual accounts for the financial year 2010-11.

n) Plant locations

Works	Location
Raigarh	Kharsia Road, Post Box No.16, Raigarh – 496 001, Chhattisgarh
Raipur	13 K M Stone, G E Road, Mandir Hasaud, Raipur – 492 001, Chhattisgarh
Patratu	Balkudra, Patratu, District Ramgarh, Jharkhand-829 143
Angul	Plot No. 751, Near Panchpukhi Chhaka, Simlipada, Angul – 759 122, Orissa.
Barbil	Plot No. 507/365, Barbil-Joda Highway, Barbil – 758 035, Orissa
Mines	
i) Iron Ore Mines	TRB Iron Ore Mines, P. O. Tensa, Dist. Sundergarh – 700 42, Orissa
ii) Coal Mines	Jindal Open Cast Coal Mine, P.O. Dhorabratta, Dongamahua, Raigarh, Chhattisgarh – 496 001

o) Investor correspondence

Company Secretary
 Jindal Steel & Power Limited
 28, Najafgarh Road
 New Delhi-110015, Ph: 011- 45021814/15/17/19/20/23/52/53,
 Fax No. 011-25928118
 Email: investorcare@jindalsteel.com



9) CODE OF CONDUCT

Code of conduct for the Directors and Senior Management of the Company was adopted by the Board in its meeting held on 31st October, 2005. This Code has been laid down with a view to promote good Corporate Governance and exemplary personal conduct and is applicable to all the Directors and Senior Managerial Personnel of the Company. This Code is also available on the website of the Company, viz., www.jindalsteelpower.com. Declaration of compliance of the Code of Conduct in terms of sub-Clause (ii) of Clause 49(I)(D) of listing agreement is given hereunder:

"The Board of Directors of Jindal Steel & Power Limited has pursuant to sub Clause (i) of Clause 49 (I) (D) of the listing agreement laid down Code of Conduct for all Board members and senior managerial personnel of the Company which has also been posted on the website of the Company, viz., www.jindalsteelpower.com. In terms of sub-Clause (ii) of the said Clause and as per 'affirmation of compliance' letters received from the Directors and the members of senior managerial personnel of the Company, I hereby declare that the Directors and the members of senior management of the Company have complied with the Code of Conduct during the financial year 2010-11".

Naveen Jindal
Executive Vice Chairman & Managing Director

10) NON MANDATORY REQUIREMENTS

The Company has not adopted non mandatory requirements of Corporate Governance during the year under report except Whistle Blower Policy.

11) AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

The auditor's certificate on compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is published as an Annexure to the Directors' Report.

For and on behalf of the Board

Place: New Delhi
Date: 21st April, 2011

Savitri Jindal
Chairperson

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

THE MEMBERS, JINDAL STEEL & POWER LIMITED

We have examined the compliance of conditions of Corporate Governance by Jindal Steel & Power Limited, for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and Management, we certify that the Company has substantially complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **S. S. Kothari Mehta & Co.**
Chartered Accountants

Arun K. Tulsian
Partner
Membership No. 89907

Place: New Delhi
Date: 21st April, 2011



Management Discussion and Analysis Report



BUSINESS REVIEW

Indian economy has demonstrated remarkable resilience in countering the global financial crisis. Although the impact was felt on some critical economic indicators, such as declining GDP growth and shrinking global trade, the recovery was faster than most people expected. Improvement in agriculture and manufacturing sectors has shifted the growth trajectory back to 8.6% in 2010-11, although the performance of the service sector was not that impressive. The performance of the infrastructure sector in 2010-11 was mixed. While some sectors performed well, others failed to put up an impressive show; Telecommunication has performed well, but railways, road and power sectors could not achieve their targets. In addition, momentum in domestic savings and investment has accelerated the GDP growth. However, inflationary pressure continues to be a matter of considerable concern, triggered by high food and energy costs. With global crude prices crossing the \$100 mark, the domestic inflationary pressure is bound to aggravate. The political unrest in the Middle East and North Africa had moderate impact on the country's economy.

The exports have picked up during 2010-11 and are expected to achieve the growth target. Foreign exchange reserves have increased during the year but the exchange rate has depreciated. The Reserve Bank of India (RBI) has begun withdrawing the accommodating policy announced during the economic crisis as the shadows of the recession quickly became a thing of the past. India's financial market has remained steady and continues to strengthen the economy.

In sharp contrast, advanced economies are still grappling with uncertainty on account of deficit, high public debt and unemployment. The process of recovery was jeopardised by sovereign debt crisis in the euro zone, concerns about the US fiscal policy and the sharp increase in commodity prices – food and energy. The rate of recovery for matured economies has been gradual in 2010. The economic recovery experienced in the US and EU during the second half of calendar year 2010 is expected to be reinforced in 2011.

OPPORTUNITIES AND THREATS

Steel represents the essential foundation, which anchors the modern world and its consumption provides a credible index to measuring the growth of an economy and the quality of life in a particular country. Steel consumption is crucial to enable the economy to move towards a more sustainable future. As the world is moving towards greener paradigms of economic growth, steel has acquired more importance; whether in the manufacture of lighter and more efficient transport vehicles, renewable energy generation, highly efficient power stations, construction of smart electrical grids, transport infrastructure development or high-energy efficient residential housing and commercial buildings.

India became the world's fifth largest steel producer in 2010, compared to the eighth position in 2003, and is expected to become the second largest producer of crude steel by 2015 globally. The country has also maintained its leadership as the world's largest producer of Direct Reduced Iron (DRI) or sponge iron.

Global steel production recovered strongly in 2010 to reach 1,414 million tons, registering a 15% rise over 2009, which is expected to sustain in 2011. Apparent steel use has increased by 13.1% to 1,272 million tons in 2010 after contracting by 6.6% in 2009. In 2011, it is expected that world steel demand will grow by 5.3% to reach a record 1,340 million tons. In India steel use is expected to increase by 13.6%; in China by 3.5%; Commonwealth of Independent States (CIS) countries by 11.1%; in European Union by 5.7% and North American Free Trade Agreement (NAFTA) countries by 8.7%.

The steel prices started rising steadily after June-July 2010 but increased sharply from January 2011 onwards on account of rising raw material costs and strengthening international demand. Prices of HR coil, HR plates, TMT and Billets, in particular, have increased sharply. International steel prices are expected to rise further in the financial year 2011-12 and are expected to drive domestic steel prices by 5-6%.



India's steel industry plays a significant role in the country's economic growth and enjoys a stronghold in the traditional sectors, such as infrastructure & construction, automobile, transportation, industrial applications, among others.

The Finance Bill 2011-12 is likely to have a neutral impact on the Indian Steel Industry. The export duty on iron ore fines and lumps has been hiked to 20% each from 5% and 15%, respectively. This will curtail iron ore exports, and is likely to benefit Indian steel industry in the long term as it will help India to be self reliant in iron ore.

Growth in the Indian steel sector will continue to be driven by construction, oil & gas, transportation, refining, telecom, ship building, power, automobiles, capital goods, consumer durables and infrastructure sector. Infrastructure sector is a priority sector for the Government and plan funds are sufficiently made available for its growth.

The steel industry faces major hurdles relating to project implementation and raw material security. The capacity expansion plans of major steel players (domestic and international) are facing issues related to land acquisition, raw material linkages and environmental clearances resulting in inordinate delay in project implementation, cost overruns and low investor confidence. The industry is facing shortage of coking coal and is largely dependent upon its import.

OUTLOOK

India's steel industry plays a significant role in the country's economic growth and enjoys a stronghold in the traditional sectors, such as infrastructure & construction, automobile, transportation, industrial applications, among others. With economic expansion, application of diverse steel grades and varieties will grow. The country's steel sector has acquired considerable prestige on the global steel map with its giant steel mills, acquisition of global scale capacities, continuous modernisation and upgradation of old plants, improving energy efficiency and backward integration into global raw material sources. Global steel giants have shown interest in the industry due to its phenomenal performance and growth potential. The industry is poised for a quantum

growth through sustained performance, which will elevate it to the next level.

The steel consumption in India is expected to grow significantly in the coming years as per capita finished steel consumption is far less than its regional counterparts. Demand for steel in India is expected to grow at a CAGR of 10-12% in the financial year 2010-11 to financial year 2014-15.

The Company envisages setting up of steel plants in Angul (Orissa) and Patratu (Jharkhand). It has set up 0.6 MTPA wire rod mill and 1.0 MTPA bar mill at Patratu, which were commissioned in March 2010 and March 2011 respectively. It plans to increase its sale through MoU customers and by selling value-added products and increase its market share particularly in structurals, plates, TMT rebars and Wire Rods. Additional stock yards and marketing offices are being set up in the country to enhance geographic reach and proximity to customers.

Power is one of the key inputs for steel making. The Company has commissioned 270 MW (2x135MW) phase-I out of 600 MW (4x150 MW) power project at Dongamahua, Chhattisgarh and this will meet the additional requirements of power of the Company. Units under phase-II will be commissioned during the current year. The setting up of captive power plants is part of the integrated steel plants being set up at Angul (Orissa) and Patratu (Jharkhand) for meeting their power requirement.

Apart from power, iron ore and coal are two other main inputs of steel making. The Company has captive iron ore and coal mines and is consistently making efforts for seeking allotment of such mines/ raw material linkages from the Central/ State Governments.

India's power sector growth lags far behind the exponential escalation in demand, resulting in energy and peak shortages. Energy deficit averaged 9% and the peak power



During the financial year 2010-11, it achieved sales and other income of Rs. 9,717.34 crores as against last year's Rs. 7,484.90 crores, registering an impressive growth of about 30%. Profit before tax increased from Rs. 1,907.50 crores to Rs. 2,753.36 crores, registering an impressive growth of about 44%.

deficit averaged 12.6% during Fiscal 2003 to Fiscal 2011. The demand for power will grow in direct correlation with country's economic growth. In line with this, the Company's subsidiary, Jindal Power Limited (JPL), is directly as well as through its subsidiaries planning to set up thermal and hydro power projects in various parts of the country with an aggregate power generation capacity of 10,480 MW.

FINANCIAL PERFORMANCE

The Company's overall operational performance has been satisfactory. During the financial year 2010-11, it achieved sales and other income of Rs. 9,717.34 crores as against last year's Rs. 7,484.90 crores, registering an impressive growth of about 30%. Profit before interest and depreciation increased from Rs. 2,612.13 crores to Rs. 3,726.14 crores, registering a remarkable growth of about 43%. Profit before tax increased from Rs. 1,907.50 crores to Rs. 2,753.36 crores, registering an impressive growth of about 44%. Net profit increased by about 39% from Rs. 1,479.68 crores to Rs. 2,064.12 crores. Cash profit increased from 2,107.07 crores to Rs. 2,915.22 crores growing by about 38%. Reserves and surplus stood at Rs. 8,594.12 crores. Net block of assets including capital work in progress stood at Rs. 17,078.29 crores.

INTERNAL CONTROLS AND SYSTEMS

Information, reports, records, documents, transaction statements etc. are generated continuously in the

organisation and the inputs contained therein serve as a strong foundation for accelerated decision-making. Great authenticity is lent to such inputs which represent the foundation for effective decisions. The Company has established proper internal control systems and procedures, which are compatible with size of its operations and business. Three firms of chartered accountants are conducting internal audit of operations, establishments, marketing offices and stockyards quarterly to ensure that systems are adhered to and controls are not flouted. Internal audit reports encompass all aspects of operations, accounts, purchases, stores, production and marketing; all omissions and deviations, if any, are properly recorded for remedial action. Cost Auditors are separately appointed to audit cost accounts and their report is submitted to the Central Government. Audit Committee reviews the reports of Internal Auditors and Cost Audit Report and monitors effectiveness and operational efficiency of internal control systems. The Audit Committee periodically provides valuable suggestions to improve the business processes, systems and internal controls and briefs the Board of Directors about the areas of concern. Annual internal audit plans are prepared by internal auditors in consultation with Audit Committee and audit is conducted in accordance with this plan. A separate department headed by a Sr. Vice President looks after the internal control systems and assists internal auditors and the Audit Committee and provides desired inputs to them.

FINANCIAL MANAGEMENT

The Company's expansion of production capacities at existing works and setting up of new plants have resulted in increased borrowings from banks, financial institutions and other lenders nationally and internationally. It has been availing multiple financial facilities from banks, financial institutions and other lenders to meet fund requirements for working capital and project implementation. Available credit options are thoroughly examined and sufficient care is taken to avail of these facilities at competitive terms and conditions. Financial facilities are appropriately secured as per terms of sanction. The Company's senior management monitors the arrangement of funds, servicing of debts and management of internal accruals. The Company has arranged Rs. 2,717 crores from banks and FIs to meet capital expenditure during the financial year 2010-11.

CORPORATE SOCIAL RESPONSIBILITY

The Company believes that corporations impact society and the environment through their operations, products and services. Since inception it has made sustained efforts to help uplift the underprivileged and backward areas. As a responsible corporate citizen, the Company has a long history of social commitment in projects that have been making meaningful contribution to the society in different areas. It believes that an effective growth policy must also take into account the fulfilment of basic needs of masses, especially rural people and the marginalised sections of society. It endeavors to improve the quality of life of the community in the area it operates. It deploys resources to help improve infrastructure, education, health, water, sanitation and environment among others in the areas of its operations. CSR activities undertaken during the year under report by the Company's plants and mines are briefly given hereunder.

i) Community Health

Under healthcare intervention, the Company undertook the following initiatives:

- Organised multi-specialty mega health camps at different places
- Operated mobile medical vans round-the-year
- Distributed free medicines and first aids kits
- Conducted health check-ups
- Provided patients with referral services and emergency ambulance services
- Organised behavioural change communication and awareness camps (skit plays) on population control and family planning, under the National Population Control Programme
- Conducted operations for permanent sterilisation in collaboration with Government health department
- Arranged counselling for antenatal care and set up health centres for the treatment of anaemia correction for adolescent girls
- Rendered financial support for critical cases like heart/kidney surgery
- Conducted cataract operations under blindness eradication programme; villagers with pres-biopic

problems were given free spectacles; operations of Hydrocoel and Hernia were conducted in collaboration with Government health department and organised special camps for treating gyanea & OBS and dental cases

- Organised voluntary blood donation camps; awareness building programmes were conducted among women by way of counselling on the importance of complementary nutrition, immunisation and nutrition fortification through home-made preparation for reducing the infant mortality rate and maternal mortality rate
- Organised programmes for generation of HIV and AIDS awareness for truckers and migrants
- Distributed seed kits to address the nutritional deficiency and nutrition gardens are being promoted to provide protein and iron rich food
- Adopted villages for fogging and anti larval treatment of the drains and water bodies

ii) Education

To spread education and help transform lives, the Company has set up educational and vocational training institutions under the banner of O.P. Jindal Institute of Technology & Skills (OPJITS) at Angul, Patratu and Godda. These institutions impart competence-based skill-oriented technical and vocational training in multiple trades (electrical work, welding, carpentry, plumbing, fitting, computer operations, cutting and tailoring, motor mechanic, masonry, among others). The Company adopted ITIs in public private partnership. The Company also provided various facilities to drive its education agenda, which comprise repair and renovation to school buildings, furniture and fixtures, community teachers, financial support, study kits, school books, education aids, computer education to students, library, cash incentives and certificates of appreciation to school toppers, computer labs, books; monitored the mid-day meal scheme of the Government and organised extra-curricular activities including inter-school quiz and sports competitions. The Company also set up adult literacy centres, formulated modular employable schemes, conducted spoken English classes, inter-school educational competitions and special coaching for Engineering/Medical/other examinations, among others.



To spread education and help transform lives, the Company has set up educational and vocational training institutions under the banner of O.P. Jindal Institute of Technology & Skills (OPJITS) at Angul, Patratu and Godda. These institutions impart competence based skill-oriented technical and vocational training in multiple trades.

iii) Community Infrastructure Development

To drive community infrastructure and elevate the quality of life, the Company undertook the following initiatives:

- Constructed roads, community halls, cultural stages, box culverts, gym halls, veterinary hospital buildings and toilets.
- Dug bore wells/hand-pumps.
- Conducted pond excavation and deepening.
- Built water tanks and provided water supply.
- Provided electrification facilities and distributed solar LED based Home Lights Systems.
- Renovated and developed religious places/heritage buildings.

iv) Sustainable Livelihood

To provide sustainable livelihood, skill development training was provided for dona pattal making, mushroom cultivation, fishery, vegetable farming, wormy compost, poultry farming, goat-rearing, animal health care, stitching, cutting (tailoring) & embroidery, phenyl making, bee-keeping, food processing, jute product making, nursing, kosa silk making, kantha stitching, zardouzi, fabric stitching, soft toys making, low cost sanitary napkin making, driving, electrical works, fitting, welding, refrigeration, pisciculture, among many other things. Financial help was also provided for starting such trades.

v) Sports, Art and Culture

Company believes that sports, art and culture represent the true India, harmonising time-honoured legacies with the spirit of a young nation. The Company organised various sports tournaments at district and state level, karate/ marshal art training for school going girls, sua dance (tribal dance) competition, Panchayat Youth Kreedha sports tournament, local folk arts, singing, drawing and painting competition, provided sports equipment, developed sports infrastructure and organised cultural events and local festivals.

vi) Rehabilitation and empowerment of physically challenged persons

Under this initiative, ASHA – The Hope O.P. Jindal Vocational & Rehabilitation Centre has been established to bring visible improvement in the lives of persons with disabilities, especially children. The aim is to empower them through advanced rehabilitation services, such as, physiotherapy, occupational therapy, special education, speech therapy and audiometry, music and recreation therapy, vocational training (computer education), counselling and guidance, distribution of aids and appliances, rehabilitative corrective surgery, free of cost, to enable them to live an independent life.

vii) Livestock

Under this initiative, vaccination and routine check-up of animals were regularly done. Bucks (Male Goat) were distributed to the people in the villages for breed change. Veterinary camps were organised to provide treatment to the live stock and PPR vaccination camp was held exclusively for goats. Emergency call service for cattle is in place. Livestock care was provided to domestic animals through animal husbandry camp in collaboration with government veterinary department. Private doctor and staff have been hired who regularly visit the villages to treat animals and also brief the villagers about their upkeep.

ENVIRONMENTAL PROTECTION

The Company endeavours to strike the right balance between environment and growth. The plants are operated in accordance with sound environment management practices and the management takes utmost care in forwarding the green agenda. The Company's Mission and Vision statement amply expresses its approach to environment sustainability.

The Company focuses on reducing pollution and wastages, promoting optimum energy use in manufacture and harmonising business imperatives with environment protection. To ensure that the plants conform to the best environmental standards it conducts regular environmental impact assessment studies for air, water, soil and noise, and management plans are drawn up to mitigate the impact. The Company has built up strong Environment Management Departments (EMD) at plants having a multidisciplinary team of professional and technical staff and has established modern environmental laboratories with sophisticated instruments including microbiological parameter testing facilities to monitor environmental quality to assess the environmental risk. The Company adopts technologies based on its environment friendly quotient and advanced pollution control devices are installed to manage in-plant terminal discharges.

The Company has, through extensive R & D activities, identified various solid wastes that could be used in processes as productive inputs. Coal rejects are used for generating power. Fly ash products are used in the construction of roads, residential colonies and other buildings. Fly ash is also used as soil conditioner in agricultural fields. Waste heat generated during the production of sponge iron and coke is used for generating electrical power. Sinter Plant is used for making sinter from iron rich solid waste from other production units.

The Company ensures that every drop of water is used in the manufacturing process, recycled and used for greening its campuses. Rainwater harvesting is done through injection wells and water reservoirs. Rainwater harvesting project is being extended to extensive areas including villages around plants. Projects, such as, roof-top water harvesting and bio-methanation plants for biodegradable solid waste are taken on top priority as a part of integral environment management.

The major steps undertaken towards promoting a greener environment across all plants comprise the following:

- Roof top rain water harvesting.
- Installation of solar lighting system.
- Installation of atomic absorption spectrophotometer to monitor trace metals and lemon grass plantation for controlling fugitive emission at surroundings of ash dyke.
- Generating awareness on environment issues through mass communication programmes including the World Environment Day and flower and vegetable shows.
- Effluent recycling system (ERS) to recycle in-plant discharge.
- Continuous Online Ambient Air Quality Monitoring Stations (AAQMS) at all four directions are installed at the plants and mines to measure ambient air quality.
- Online monitoring facility enables regular surveillance of particulate emissions from chimneys.
- A state-of-the-art environmental monitoring laboratory has been set up to monitor and control emissions.
- Enhancement of greenery around the periphery of the plants.
- Tree plantation is done regularly and gardens have been developed and maintained; 100-150 metre wide green belts are developed around the plants.

INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT

The role of HR as strategic business partner has been institutionalised in the Company. The HR team has been working closely with business leaders to create a high-performance pan-organisational work culture. In order to sustain the Company's growth trajectory, HR focuses on the following:

- Attracting, acquiring, developing and nurturing high potential talent. High quality recruitment has been the hallmark in the Company; graduates from IIMs, IITs and NITs are recruited at entry level; as per the need of the business, high quality lateral hiring has also been done from across the globe.
- Special emphasis on leadership capability development programme for identified future leaders is ensured by designing and implementing Individual Development Program (IDP) for this select group of potential leaders.
- Apart from the structured learning input to entry level employees through class room, OJT, action learning and self-paced e-learning module, a need-based technical training as identified systematically in variety of areas, such as, project management, environment management etc. is imparted on a continuous basis across all levels and locations.
- In order to maintain a competitive market positioning on reward management to retain best talent in the Company, the target rating distribution has been very meticulously adhered to. Further, sharp differentiation in pay out has also been ensured.



The Company endeavours to strike the right balance between environment and growth. The plants are operated in accordance with sound environment management practices and the management takes utmost care in forwarding the green agenda.

- Close interaction with leadership team and employees at all levels has been a continuous process in the Company. The physical facilities such as housing, hospital and conducive people policies have been continuously improved to match people's aspirations.

Some of the significant awards and accolades, which were conferred to the Company for HR practices during the last year comprise:

- Talent Management Leadership Award at Royal Garden Hotel, London in Talent 2010;
- Global HR Excellence Award 2010-11 in the category of Institution Building; and
- Global HR Excellence Award 2010-11 in the category of Innovative HR Practices.

STATUTORY COMPLIANCE

The Company Secretary, as Compliance Officer, ensures compliance of the Companies Act, 1956, the SEBI regulations and provisions of the Listing Agreements. Compliance certificates are obtained from various units of the Company and the Board is informed of the same at every Board meeting.

CAUTIONARY STATEMENT

This report contains projections, estimates and expectations etc. which are just "forward-looking statements". Actual results could differ from those expressed or implied in this report. Important factors that may have impact on Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets, changes in the Government regulations / policies, tax laws and other statutes and other incidental factors. The Company assumes no responsibility to publicly modify or revise any forward looking statements on the basis of any future events or new information. Actual results may differ from those mentioned in the report.

For and on behalf of the Board

Place: New Delhi
Date: 21st April, 2011

Savitri Jindal
Chairperson



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Auditors' Report to the Members of Jindal Steel & Power Limited

1. We have audited the attached Balance Sheet of JINDAL STEEL & POWER LIMITED, as at 31st March, 2011, the Profit & Loss account and the Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit & Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion and read with note no. B.3 of schedule 20 regarding accounting for sales tax included in sales price of products sold out of sales tax exempted unit under Sales Tax Subsidy Reserve account, the Balance Sheet, Profit & Loss account and Cash Flow statement dealt with by this report comply with the accounting standards referred to in sub - section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Accounting Policies and Notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (b) in the case of the Profit and Loss account, of the Profit for the year ended on that date; and
 - (c) in the case of the Cash Flow statement, of the Cash Flows for the year ended on that date.

For **S. S. KOTHARI MEHTA & CO.**
Chartered Accountants
Registration No. 000756N

(ARUN K. TULSIAN)
Partner
Membership No. 89907

Place: New Delhi
Dated: 21st April, 2011

Annexure to Auditors' Report

Referred to in paragraph 3 of our report of even date

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The Company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As part of this programme, the management has physically verified certain fixed assets during the year. Discrepancies noticed on such verification as compared to book records, which were not material, have been properly adjusted in the books of account.
 - (c) Fixed assets disposed off during the year were not substantial.
2. (a) As explained to us, physical verification has been conducted by the management at reasonable intervals in respect of finished goods, stores and spare parts and raw materials. Further, stock in the possession and custody of third parties and stock in transit as at 31st March, 2011 have been verified by the management with reference to confirmation or statement of account or correspondence with the third parties or subsequent receipts of goods. In our opinion, the frequency of such verification is reasonable.
 - (b) The procedures for the physical verification of inventories followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
 - (b) Since there are no such loans, comments regarding terms and conditions, repayment of the principal amount, interest due thereon and overdue amounts are not required.
 - (c) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
 - (d) Since there are no such loans, comments regarding terms and conditions, repayment of the principal amount, interest due thereon and overdue amounts are not required.
4. In our opinion and according to the information and explanations given to us during the course of audit, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instance of a major weakness in the aforesaid internal control system.
5. (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions with parties, with whom transactions exceeding the value of Rupees Five Lacs in respect of each party have been entered into during the financial year, are at prices which are reasonable having regard to the prevailing market prices at the relevant time where such market prices are available.
6. In respect of fixed deposits accepted from the public, the provisions of section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 including the Companies (Acceptance of Deposit) Rules, 1975 have been complied with. We have been informed that no Order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any Court or any other Tribunal in this regard.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the cost accounting records maintained by the Company pursuant to the rules



prescribed by the Central Government for the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We are, however, not required to make a detailed examination of such books and records.

9. (a) In our opinion and according to the information and explanations given to us and according to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues, wherever applicable, have been regularly deposited with the appropriate authorities and there are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2011.
- (b) According to the information and explanations given to us and as per the books and records examined by us, there are no dues of Custom duty and Wealth tax which have not been deposited on account of any dispute, except the following in respect of disputed Excise duty, Sales tax, Service tax, Cess, Entry tax and Income tax :

Name of the Statute	Nature of dues	Amount (Rs. in Lacs)	Forum where dispute is pending	Amount deposited (Rs. in Lacs)
Central Excise and Salt Act, 1944	Excise Duty	155.00	Chhatisgarh High Court, Bilaspur	100.00
		63.68	Appellate Commissioner, Raipur	NIL
		24,506.22	CESTAT, Delhi	113.08
		253.88	Chattisgarh High Court, Bilaspur	NIL
		10.38	Madhya Pradesh High court, Jabalpur	NIL
Central Sales Tax Act/Local Sales Tax Act / Entry Tax	Entry Tax	3455.99	Deputy Commissioner , Commercial Tax (Appeals) ,Rourkela	1152.00
	Entry Tax	0.88	Deputy Commissioner , Commercial Tax (Appeals),Cuttack	0.36
Central Sales Tax Act/Local Sales Tax Act/Entry Tax	State Sales Tax	20.21	Deputy Commissioner, Commercial Tax (Appeals), Cuttack	3.79
Central Sales Tax Act/Local Sales Tax Act/Entry Tax	Central Sales Tax	44.05	Orissa High Court,Cuttack	44.05
		71.93	Deputy Commissioner, Commercial Tax, Cuttack	28.72
Chhattisgarh State Govt. Law	Energy Development Cess	10406.66	Honorable Supreme Court	NIL
Business & Other Construction Workers Welfare Cess Act, 1996	Cess	6922.00	Orissa High Court,Cuttack	5.00
Income Tax Act, 1961	Income Tax	11,103.17	Income Tax Appellate Tribunal, New Delhi	121.97
		7,617.38	Commissioner of Income Tax (Appeals), Rohtak	NIL

10. The Company does not have accumulated losses as at the end of the financial year. There are no cash losses during the financial year under report and in the immediately preceding financial year.
11. According to the information and explanations given to us and as per the books and records examined by us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company does not fall within the category of Chit fund / Nidhi / Mutual Benefit fund / Society and hence the related reporting requirements of the Order are not applicable.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments and hence the related reporting requirements of the Order are not applicable.
15. The Company has given guarantees against loans taken by others from banks and financial institutions; the terms and conditions of such guarantees are not, prima facie, prejudicial to the interest of the Company.
16. In our opinion and according to the information and explanations given to us, the term loans raised during the year by the Company have been applied for the purpose for which the said loans were obtained, where the lenders have stipulated such end use.
17. According to the information and explanations given to us and as per the books and records examined by us, on an overall examination of the Balance Sheet of the Company, the funds raised by the Company on short-term basis have not been applied for long-term purposes.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us and on the basis of the records examined by us, the Company has created necessary securities for the debentures issued in earlier years.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed and reported during the year, nor have we been informed of such case by the management.

For **S. S. KOTHARI MEHTA & CO.**
Chartered Accountants
Registration No. 000756N

(ARUN K. TULSIAN)
Partner

Place: New Delhi
Dated: 21st April, 2011

Membership No. 89907



Balance Sheet as at 31st March, 2011

(Rs. in Crores)

	Schedule	As at 31st March, 2011	As at 31st March, 2010
SOURCES OF FUNDS			
Shareholders Fund			
Share Capital	1	93.43	93.12
Reserves and Surplus	2	8,594.12	6,630.54
Employees' Stock Options Outstanding		1.80	22.67
Less: Deferred employee compensation expenditure (Refer note B.5 of Schedule 20)		(0.01)	(0.33)
		1.79	22.34
		8,689.34	6,746.00
Loan Funds			
Secured	3	5,530.93	4,235.16
Unsecured	4	6,583.74	4,148.10
		12,114.67	8,383.26
Deferred Tax Liability (Net)	20	878.33	715.00
TOTAL		21,682.34	15,844.26
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	12,787.35	8,814.21
Less: Depreciation		(2,786.93)	(2,110.15)
		10,000.42	6,704.06
Add: Capital work in progress (including pre-operative expenses pending allocation/capitalisation and capital goods lying in stores)		7,077.87	6,435.28
		17,078.29	13,139.34
Investments	6	1,210.01	1,067.11
Current Assets, Loans And Advances			
Inventories	7	2,204.12	1,328.50
Sundry Debtors	8	737.12	622.36
Cash and Bank balances	9	51.56	60.10
Loans and Advances	10	5,105.00	3,865.94
		8,097.80	5,876.90
Less: Current Liabilities and Provisions			
Liabilities	11	2,810.61	2,898.40
Provisions	12	1,896.34	1,343.71
		4,706.95	4,242.11
Net Current Assets		3,390.85	1,634.79
Miscellaneous Expenditure			
(To the extent not written off or adjusted)	13	3.19	3.02
TOTAL		21,682.34	15,844.26
Significant Accounting Policies & Notes to Accounts	20		

The accompanying schedules 1 to 20 form an integral part of these accounts

In terms of our report of even date

For and on behalf of the Board

For S.S. Kothari Mehta & Co.
Chartered Accountants

Arun K. Tulsian
Partner
Membership No. 89907

Naveen Jindal
Executive Vice Chairman
& Managing Director

Anand Goel
Joint Managing Director

Sushil K Maroo
Director

Place : New Delhi
Date : 21st April, 2011

T.K. Sadhu
Company Secretary

Profit & Loss Account for the year ended 31st March, 2011

(Rs. in Crores)

	Schedule	For the year ended 31st March, 2011	For the year ended 31st March, 2010
INCOME			
Sales and Operational Income	14	12,158.73	8,595.67
Less: Inter Division Transfer		1,698.30	700.09
Less: Excise Duty		886.80	527.99
Net Sales and Operational Income		9,573.63	7,367.59
Other Income	15	143.71	117.31
TOTAL		9,717.34	7,484.90
EXPENDITURE			
Material, Manufacturing and Others	16	6,526.22	4,762.25
Less: Inter Division Transfer		1,698.30	700.09
		4,827.92	4,062.16
Personnel	17	277.78	212.75
Administration, Selling and Others	18	885.50	597.86
Interest	19	285.01	192.47
Depreciation	5	687.77	512.16
TOTAL		6,963.98	5,577.40
PROFIT BEFORE TAXATION		2,753.36	1,907.50
LESS: Provision for taxation			
(a) Income tax		525.12	312.48
(b) Deferred tax		163.33	115.23
(c) Wealth tax		0.42	0.07
(d) Fringe Benefits tax of earlier year		0.37	0.04
PROFIT AFTER TAXATION		2,064.12	1,479.68
ADD/(LESS)			
Surplus / (Loss) brought forward		5,478.83	4,318.95
PROFIT AVAILABLE FOR APPROPRIATION		7,542.95	5,798.63
APPROPRIATIONS			
Proposed Dividend on Equity Shares (Refer note B.20 of Schedule 20)		140.19	116.52
Corporate tax on Proposed Dividend (Refer note B.21 of Schedule 20)		3.75	4.28
General Reserve		210.00	150.00
Debenture Redemption Reserve		77.00	49.00
Balance carried to Balance Sheet		7,112.01	5,478.83
		7,542.95	5,798.63
Basic Earning per share (in Rs.) (Refer note B.22 of Schedule 20)		22.11	15.90
Diluted Earning per share (in Rs.) (Refer note B.22 of Schedule 20)		22.09	15.78
Significant Accounting Policies & Notes to Accounts	20		

The accompanying schedules 1 to 20 form an integral part of these accounts

In terms of our report of even date

For and on behalf of the Board

For S.S. Kothari Mehta & Co.
Chartered Accountants

Arun K. Tulsian
Partner
Membership No. 89907

Naveen Jindal
Executive Vice Chairman
& Managing Director

Anand Goel
Joint Managing Director

Sushil K Maroo
Director

Place : New Delhi
Date : 21st April, 2011

T.K. Sadhu
Company Secretary



Cash Flow Statement for the year ended 31st March, 2011

(Rs. in Crores)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
A. CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	2,753.36	1,907.50
Adjustment for:		
Depreciation	687.77	512.16
Premium on Investment written off	0.07	0.19
Loss / (Profit) on Sale of Fixed Assets	0.27	2.37
Loss / (Profit) on Sale of Investments	(1.13)	(0.44)
Dividend Income	(117.10)	(91.90)
Liability / Provisions no longer required written back	(1.79)	(3.09)
Provision for doubtful debts	(0.61)	(0.78)
Provision for doubtful advances	-	0.60
Employees Compensation Expenses under Employees Stock Option Scheme	(4.87)	(4.85)
Interest Paid	285.01	192.47
Operating Profit before Working Capital Changes	3,600.98	2,514.23
Adjustment for:		
Inventories	(875.62)	(118.54)
Sundry Debtors	(114.08)	(230.12)
Other Current Assets	(212.28)	82.67
Income Tax paid	(514.78)	(292.29)
Other Current Liabilities	(90.18)	447.32
Net Cash Inflow/(Outflow) from Operating Activities	1,794.04	2,403.27
B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES		
Capital Expenditure	(4,893.93)	(5,778.54)
Sale Proceeds of Fixed Assets	354.20	146.28
Dividend received	91.09	87.56
Loans & Advances	(398.62)	(447.36)
Interest Received	49.51	40.31
(Increase) / Decrease in Investments	(141.76)	166.53
Share Application Money given	(24.85)	(26.66)
Net Cash Inflow/(Outflow) from Investing Activities	(4,964.36)	(5,811.88)
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		
State Sales Tax Subsidy	32.23	33.33
Issue of Equity Shares	11.32	12.59
Proceeds from Long Term Borrowings	5,317.19	4,385.11
Working Capital Borrowings from Banks	1,049.92	658.64
Repayment/Adjustment of Borrowings	(2,469.78)	(1,473.27)
Dividend Paid (including tax thereon)	(117.59)	(80.78)
Interest Paid	(661.51)	(375.87)
Net Cash Inflow/(Outflow) from Financing Activities	3,161.78	3,159.75
Net Changes In Cash & Cash Equivalents (A+B+C)	(8.54)	(248.86)
Cash & Cash equivalents (Opening Balance)	60.10	308.96
Cash & Cash equivalents (Closing Balance)	51.56	60.10

Note:

The figures have been regrouped/rearranged, wherever necessary, for comparison purposes

In terms of our of even date

For and on behalf of the Board

For S.S. Kothari Mehta & Co.
Chartered Accountants

Arun K. Tulsian
Partner
Membership No. 89907

Naveen Jindal
Executive Vice Chairman
& Managing Director

Anand Goel
Joint Managing Director

Sushil K Maroo
Director

Place : New Delhi
Date : 21st April, 2011

T.K. Sadhu
Company Secretary

Schedules forming part of the Balance Sheet as at 31st March, 2011

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 1		
Share Capital		
AUTHORISED		
2,00,00,00,000 (Previous year 2,00,00,00,000) Equity Shares of Re. 1 each	200.00	200.00
	200.00	200.00
ISSUED, SUBSCRIBED AND PAID UP		
EQUITY SHARES		
93,42,69,031 (Previous year 93,12,34,082) Equity Shares of Re. 1 each fully paid up	93.43	93.12
TOTAL	93.43	93.12

Notes :

- (A) 12,61,22,840 (Previous year 12,61,22,840) Equity shares of Re. 1 each have been allotted as fully paid up to the erstwhile shareholders of Jindal Strips Limited pursuant to the Scheme of Arrangement sanctioned by the Hon'ble High Court of Punjab & Haryana.
- (B) 30,34,949 (Previous year 9,29,869) Equity Shares of Re. 1 each have been allotted as fully paid up to the employees (including those of subsidiary company) under the Employees Stock Option Scheme. (Refer note B.5 of Schedule 20)
- (C) 77,56,51,530 shares of face value of Re. 1 per share were allotted as fully paid bonus shares by utilisation of Rs. 77,56,51,530 from Securities Premium Account during the earlier year.

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 2		
Reserves and Surplus		
(A) SECURITIES PREMIUM		
As per last account	92.24	157.32
Add: Addition during the year (Refer note B.5 of Schedule 20)	26.69	12.49
Less: Utilised for issue of bonus shares	-	(77.57)
	118.93	92.24
(B) GENERAL RESERVE		
As per last account	750.28	599.28
Add: Transfer from Profit & Loss Account	210.00	150.00
Add: Transfer from share forfeited Account	-	1.00
Add: Transfer from Central/State Subsidy Reserve	0.12	-
	960.40	750.28
(C) DEBENTURE REDEMPTION RESERVE		
As per last account	74.00	25.00
Add: Transfer from Profit & Loss Account	77.00	49.00
	151.00	74.00
(D) CAPITAL REDEMPTION RESERVE		
As per last account	70.00	70.00
	70.00	70.00



Schedules forming part of the Balance Sheet as at 31st March, 2011

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
(E) CENTRAL/STATE SUBSIDY RESERVE		
As per last account	0.24	0.24
Less: Transferred to General Reserve	(0.12)	-
	0.12	0.24
(F) SALES TAX SUBSIDY/CAPITAL RESERVE (Refer note B.3 of Schedule 20)		
As per last account	166.52	133.19
Add: During the year	32.23	33.33
	198.75	166.52
(G) FOREIGN CURRENCY TRANSLATION RESERVE		
As per last account	(1.57)	67.68
Add: During the year	(15.52)	(69.25)
	(17.09)	(1.57)
(H) SURPLUS IN PROFIT AND LOSS ACCOUNT	7,112.01	5,478.83
	8,594.12	6,630.54

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 3		
Secured Loans		
(A) DEBENTURES		
i) 9.80% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with Life Insurance Corporation of India)	1,000.00	1,000.00
ii) 9.80% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with Life Insurance Corporation of India)	500.00	500.00
iii) 9.80% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with SBI Life Insurance Company Limited)	62.00	62.00
iv) 8.50% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with ICICI Lombard General Insurance Company Limited)	25.00	25.00
v) 8.50% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with ICICI Prudential Life Insurance Company Limited)	75.00	75.00
vi) 6.75% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with LIC Mutual Fund Asset Management Company Limited)	100.00	100.00
	1,762.00	1,762.00
(B) TERM LOANS		
Loans and advances from Banks & Others	3,613.34	2,216.36
(C) OTHERS	-	5.46
(D) WORKING CAPITAL BORROWINGS FROM BANKS	155.59	251.34
TOTAL	5,530.93	4,235.16

Schedules forming part of the Balance Sheet as at 31st March, 2011

Notes :

(A) DEBENTURES

- i) Debentures placed with Life Insurance Corporation of India on private placement basis are redeemable at par in 2 equal annual instalments at the end of 9.5 and 10.5 years from the date of respective allotments i.e. Rs. 100 crores (12.10.2009), Rs. 150 crores (22.10.2009), Rs. 150 crores (24.11.2009), Rs. 150 crores (24.12.2009), Rs. 150 crores (25.01.2010), Rs. 150 crores (19.02.2010) and Rs. 150 crores (26.03.2010). The debentures are secured on pari-passu charge basis by way of mortgage of immovable properties and hypothecation of movable fixed assets created/to be created on the 6x135 MW Power Plant Project at Angul, Orissa in favour of the Debenture Trustees.
- ii) Debentures placed with Life Insurance Corporation of India on private placement basis are redeemable at par in 2 equal annual instalments at the end of 9.5 and 10.5 years from the date of respective allotments i.e. Rs. 100 crores (24.08.2009), Rs. 80 crores (08.09.2009), Rs. 80 crores (08.10.2009), Rs. 80 crores (09.11.2009), Rs. 80 crores (08.12.2009) and Rs. 80 crores (08.01.2010). The debentures are secured on pari-passu charge basis by way of mortgage of immovable properties and hypothecation of movable fixed assets of the Company in favour of the Debenture Trustees.
- iii) Debentures placed with SBI Life Insurance Company Limited on private placement basis are redeemable at par in 5 equal annual instalments commencing from the end of 8 years from the date of allotment i.e. 29.12.2009. The debentures are secured on pari passu basis by way of mortgage of immovable properties and hypothecation of movable assets created/to be created on the 6x135 MW Power Plant Project at Angul, Orissa in favour of the Debenture Trustees.
- iv) Debentures placed with ICICI Lombard General Insurance Company Limited on private placement basis are redeemable at par at the end of 5 years from the date of allotment i.e. 03.12.2009. The debentures are secured on pari-passu basis by way of mortgage of immovable properties and hypothecation of movable fixed assets of the Company in favour of the Debenture Trustees.
- v) Debentures placed with ICICI Prudential Life Insurance Company Limited on private placement basis are redeemable at par at the end of 5 years from the date of allotment i.e. 03.12.2009. The debentures are secured on pari-passu basis by way of mortgage of immovable properties and hypothecation of movable fixed assets of the Company in favour of the Debenture Trustees.
- vi) Debentures placed with LIC Mutual Fund Asset Management Company Limited on private placement basis are redeemable at par at the end of 23 months from the date of allotment i.e. 22.01.2010. The debentures are secured on pari-passu basis by way of mortgage of immovable properties and hypothecation of movable fixed assets of the Company in favour of the Debenture Trustees.

(B) TERM LOANS

Loans and Advances from Banks & Others

- i) Loans of Rs. 255.11 crores (Previous year Rs. 379.08 crores) are secured by exclusive charge on fixed assets created under Steel expansion project at Raigarh, Chhattisgarh;
- ii) Loans of Rs. 196.87 crores (Previous year Rs. 287.27 crores) are secured by exclusive charge on fixed assets created under Plate Mill project at Raigarh, Chhattisgarh;
- iii) Loans of Rs. 111.43 crores (Previous year Rs. 145.71 crores) are secured by exclusive charge on fixed assets created under 3x25 MW Power Plant at Raigarh, Chhattisgarh;
- iv) Loans of Rs. 454.99 crores (Previous year Rs. 349.91 crores) are secured by exclusive charge on fixed assets created/to be created under the DRI project at Angul, Orissa;
- v) Loans of Rs. 788.97 crores (Previous year Rs. 414.46 crores) are secured by exclusive charge on fixed assets created under 2X135 MW Power Plant (Phase - 1) at Dongamauha, Raigarh, Chhattisgarh;
- vi) Loans of Rs. 140.55 crores (Previous year Rs. 67 crores) are secured by exclusive charge on fixed assets created/to be created under 2X135 MW Power Plant (Phase - 2) at Dongamauha, Raigarh, Chhattisgarh;



Schedules forming part of the Balance Sheet as at 31st March, 2011

- vii) Loans of Rs. 1,054.97 crores (Previous year Rs. 20 crores) are secured by exclusive charge on fixed assets created/ to be created under 1.6 MTPA Integrated Steel Plant and 1.5 MTPA Plate Mill project at Angul, Orissa;
- viii) Loans of Rs. 100.00 crores (Previous year Rs. Nil) are secured/to be secured by exclusive charge on fixed assets created/to be created under 6x135 MW Power Plant Project at Angul, Orissa;
- ix) Loan of Rs. 510.46 crores (Previous year Rs. 534.79 crores) are secured by subservient charge on current assets of the Company;
- x) Loans of Rs. Nil (Previous year Rs. 18.14 crores) were secured by first pari - passu charge in favour of Banks by way of mortgage of the Company's immovable properties and hypothecation of fixed assets; out of which loans of Rs. Nil (Previous year Rs. 4.08 crores) were also secured by a personal guarantee given by a Director of the Company.

Repayment due within one year Rs. 442.16 crores (Previous year Rs. 272.64 crores)

(C) OTHERS

Secured by hypothecation of the specific assets financed.

(D) WORKING CAPITAL BORROWING FROM BANKS

Secured by hypothecation by way of first charge on stocks of finished goods, raw materials, work in progress, stores and spares and book debts and second charge in respect of other movable and immovable assets.

(Rs. in Crores)		
	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 4		
Unsecured Loans		
Fixed Deposits from Public	59.67	70.58
Short Term Loans from Banks/Mutual Funds	795.82	250.00
Non-Convertible Debentures	-	75.00
Inter Corporate Deposits (from subsidiary)	1,518.56	1,198.56
Buyers' Credit from Banks	2,121.87	984.45
External Commercial Borrowing from Banks (ECB)	2,087.82	1,569.51
	6,583.74	4,148.10

Repayment due within one year Rs. 227.05 crores (Previous year Rs. 232.56 crores)

Schedules forming part of the Balance Sheet as at 31st March, 2011

GROUP OF ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 1st April, 2010	Additions during the Year	Sales/Adj during the Year	As at 31st March, 2011	Upto 31st March, 2010	For the Year during the Year	Sales/TFR during the Year	Upto 31st March, 2011	As at 31st March, 2010	
SCHEDULE - 5										
Fixed Assets										
Land - freehold	129.15	33.57	-	162.72	-	-	-	-	162.72	129.15
Land - leasehold	242.35	52.22	-	294.57	4.35	3.18	-	7.53	287.04	238.00
Live Stock	0.14	-	-	0.14	-	-	-	-	0.14	0.14
Building	938.17	468.60	9.72	1,397.05	104.45	38.45	0.67	142.23	1,254.82	833.72
Plant & Machinery	6,776.91	3,301.91	62.43	10,016.39	1,880.70	599.59	13.07	2,467.22	7,549.17	4,896.21
Electrical Installation	145.08	220.90	13.14	352.84	22.18	12.34	1.29	33.23	319.61	122.90
Furniture & Fixtures	56.55	26.97	1.04	82.48	12.35	4.92	0.22	17.05	65.43	44.20
Vehicles	170.46	19.43	4.55	185.34	55.29	17.49	1.36	71.42	113.92	115.17
Air Craft (Owned)	347.06	-	61.88	285.18	28.49	17.61	1.93	44.17	241.01	318.57
Intangible assets-Software licences (Bought Out)	8.34	2.30	-	10.64	2.34	1.74	-	4.08	6.56	6.00
TOTAL	8,814.21	4,125.90	152.76	12,787.35	2,110.15	695.32	18.54	2,786.93	10,000.42	6,704.06
Capital Work in Progress (Including pre-operative expenses pending allocation/capitalisation and capital goods lying in stores)	-	-	-	-	-	-	-	-	7,077.87	6,435.28
Previous Year	7,362.90	1,624.45	173.14	8,814.21	1,617.00	517.64	24.49	2,110.15	6,704.06	5,745.90

Notes:

- 1) Addition to Fixed Assets includes Rs. 3.29 crores (Previous year Rs. 0.50 crores) and addition to Capital Work in Progress includes Rs. 3.16 crores (Previous year Rs. Nil) being expenditure incurred on Research and Development Activities (Refer Note B.10 of Schedule 20).
- 2) Capital Work in Progress includes Rs. 383.42 crores (Previous year Rs. 440.21 crores) being Pre-operative Expenditure and Rs. 1,083.39 crores (Previous year Rs. 1,024.05 crores) being Capital stores (Refer note B.7 of Schedule 20).
- 3) Freehold land includes Rs. 5.85 crores jointly owned with the Company with 50% share and pending registration.
- 4) Depreciation during the year includes Rs. 7.55 crores (Previous year Rs. 5.48 crores) transferred to pre-operative expenses.



Schedules forming part of the Balance Sheet as at 31st March, 2011

		(Rs. in Crores)	
		As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 6			
Investments - Long Term, Non-Trade			
(A) UNQUOTED EQUITY SHARES			
i)	Brahamputra Capital and Finance Limited 1,92,00,000 (Previous year 1,92,00,000) Equity Shares of Rs. 10 each	19.20	19.20
ii)	Jindal Holding Limited 24,14,000 (Previous year 24,14,000) Equity Shares of Rs. 10 each	14.48	14.48
iii)	Jindal Petroleum Limited (formerly JSPL Oil & Natural Gas Limited) 49,400 (Previous year 49,400) Equity Shares of Rs. 10 each	0.05	0.05
iv)	Jindal Rex Exploration Private Limited 9,800 (Previous year 9,800) Equity Shares of Rs. 10 each	0.01	0.01
v)	Stainless Investments Limited 12,42,000 (Previous year 12,42,000) Equity Shares of Rs. 10 each	6.05	6.05
vi)	X-Zone SDN BHD 36,250 (Previous year 36,250) Equity Shares of Malaysian Ringgit 1.00 each	0.04	0.04
	Less: Provision For Diminution in value of Investments	(11.54)	(11.54)
	Sub Total (A)	28.29	28.29
(B) UNQUOTED FULLY PAID-UP EQUITY SHARES OF SUBSIDIARY COMPANIES			
i)	Jindal Minerals & Metals Africa Limited 832 (Previous year 832) Equity Shares of USD 1 each	27.59	27.59
ii)	Jindal Power Limited 1,30,05,75,000 (Previous year 1,30,05,75,000) Equity Shares of Rs. 10 each (Nil (Previous year 68,78,88,000) Equity Shares pledged as security with lenders of subsidiary company)	867.05	867.05
iii)	Jindal Steel Bolivia S.A. 32,02,122 (Previous year 9,99,910) Equity Shares of Bolivianos 100 each	202.01	59.91
iv)	Jindal Steel & Power (Mauritius) Limited 1,91,50,000 (Previous year 1,91,50,000) Equity Shares of USD 1 each	79.35	79.35
	Sub Total (B)	1,176.00	1,033.90

Schedules forming part of the Balance Sheet as at 31st March, 2011

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
(C) UNQUOTED FULLY PAID-UP EQUITY SHARES OF ASSOCIATE COMPANIES		
i) Angul Sukinda Railway Limited 25,000 (Previous year 25,000) Equity Shares of Rs. 10 each	0.03	0.03
ii) Jindal Infosolutions Private Limited 4,750 (Previous year Nil) Equity Shares of Rs. 10 each	0.01	-
iii) Nalwa Steel & Power Limited 20,00,000 (Previous year 20,00,000) Equity Shares of Rs. 10 each	2.00	2.00
Sub Total (C)	2.04	2.03
(D) UNQUOTED FULLY PAID-UP EQUITY SHARES OF INCORPORATED JOINT VENTURES		
i) Jindal Synfuels Limited (formerly Jindal Coal to Liquid Limited) 7,00,000 (Previous year 10,000) Equity Shares of Rs. 10 each	0.70	0.01
ii) Shresht Mining and Metals Private Limited 5,000 (Previous year 5,000) Equity Shares of Rs. 10 each	0.01	0.01
iii) Urtan North Mining Company Limited 6,66,689 (Previous year Nil) Equity Shares of Rs. 10 each	0.67	-
Sub Total (D)	1.38	0.02
(E) UNQUOTED INVESTMENT IN GOVERNMENT AND TRUST SECURITIES		
i) 11.50% IDBI-SLR 2010 Nil (Previous year 5,500) units of Rs. 1,000 each	-	0.55
ii) 11.50% IDBI-SLR 2011 10,000 (Previous year 10,000) units of Rs. 1,000 each	1.01	1.05
iii) 12.00% NHB-SLR 2011 20 (Previous year 20) units of Rs. 100,000 each	0.21	0.22
iv) 12.00% IDBI-SLR 2012 5,000 (Previous year 5,000) units of Rs. 1,000 each	0.52	0.55
v) National Saving Certificates Rs. 5,90,000 (Previous year Rs. Nil)	0.06	-
Sub Total (E)	1.80	2.37
Investments - Current		
(F) INVESTMENT IN UNITS OF MUTUAL FUNDS/BONDS		
i) 8.15% ICICI - 2016 Bond 5 (Previous year 5) Units of Rs. 10,00,000 each	0.50	0.50
Sub Total (F)	0.50	0.50
Total Investments - Long Term and Current - (A+B+C+D+E+F)	1,210.01	1,067.11
Aggregate book value of quoted investments	Nil	Nil
Aggregate book value of unquoted investments	1,210.01	1,067.11



Schedules forming part of the Balance Sheet as at 31st March, 2011

SCHEDULE - 6 (CONTD.)

NOTE: During the year, the Company has purchased and sold the following investments:

(Rs. in Crores)

	PURCHASE		SALE	
	UNITS	VALUE	UNITS	VALUE
1 Birla Sun Life Cash Plus Inst. Prem. - Growth	3,25,29,846	50.00	3,25,29,846	50.02
2 Birla Sun Life Savings Fund Inst. - Growth	56,75,498	10.00	56,75,498	10.00
3 ICICI Prudential Liquid Super Inst. Plan - Growth	49,73,490	70.00	49,73,490	70.01
4 ICICI Prudential Flexible Inc. Plan Premium - Growth	11,63,136	20.00	11,63,136	20.05
5 IDFC Money Manager Fund - Treasury Plan Super Inst. Plan C	1,81,95,713	20.00	1,81,95,713	20.01
6 Kotak Liquid (Inst. Premium) - Growth	1,04,97,200	20.00	1,04,97,200	20.00
7 LIC Mutual Fund Liquid Fund - Growth Plan	16,58,81,669	282.50	16,58,81,669	282.57
8 LIC Mutual Fund Income Plus Fund - Growth Plan	20,04,29,074	250.03	20,04,29,074	250.19
9 LIC Mutual Fund Liquid Fund - Dividend Plan	10,47,59,002	115.03	10,47,59,002	115.03
10 Principal Cash Mangment Fund - Liquid Option Instl. Prem. Plan - Growth	4,63,00,135	67.00	4,63,00,135	67.01
11 Principal Floating Rate Fund FMP - Inst. Option Plan - Growth	4,55,09,599	67.01	4,55,09,599	67.14
12 Reliance Liquidity Fund - Growth	72,37,72,442	1,012.07	72,37,72,442	1,012.29
13 Reliance Money Manager Fund Inst. - Growth	51,36,206	650.09	51,36,206	650.48
14 Reliance Liquid Fund - TP IP - Growth Plan	5,56,62,439	130.00	5,56,62,439	130.04
15 Reliance Liquidity Fund Daily Dividend Reinvestment	12,49,56,117	125.02	12,49,56,117	125.02
16 UTI Liquid Cash Plan Inst. - Growth	1,94,328	30.00	1,94,328	30.02
	1,54,56,35,894	2,918.75	1,54,56,35,894	2,919.88
Previous year	2,66,69,84,340	3,344.97	2,80,81,46,275	3,515.41

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 7		
Inventories		
(As taken, valued and certified by the Management)		
i) Stores and Spares (Including in transit)	403.52	347.28
ii) Raw Materials (Including in transit and at port)	755.08	300.60
iii) Finished Goods (Including lying at port)	872.50	560.43
iv) Trading Goods	0.88	-
v) Work in Progress	165.58	119.72
vi) Scrap	6.56	0.47
	2,204.12	1,328.50

Schedules forming part of the Balance Sheet as at 31st March, 2011

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 8		
Sundry Debtors (Unsecured)		
i) EXCEEDING SIX MONTHS		
Considered Good	48.98	18.25
[includes Rs. 21.44 crores (Previous year Rs. Nil) due from subsidiary company]		
Considered Doubtful	1.25	1.93
Less: Provision for bad and doubtful debts	(1.25)	(1.93)
	48.98	18.25
II) OTHERS		
Considered good	688.14	604.11
[includes Rs. 1.07 crores (Previous year Rs. 0.03 crores) due from subsidiary company]		
	737.12	622.36

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 9		
Cash and Bank Balances		
Cash, Cheques, T T and Demand Drafts in hand (including cash in hand Rs. 1.10 crores (Previous year Rs. 1.11 crores))	1.88	1.18
Balances with Scheduled Banks		
i) In Current Accounts	35.57	48.31
ii) In Fixed Deposit Accounts	14.11	10.61
[Pledged with Govt. Departments and Others Rs. 3.73 crores (Previous year Rs. 5.32 crores)]		
	51.56	60.10

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 10		
Loans And Advances		
(Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
- Considered good	1,683.23	1,499.57
- Considered doubtful	5.76	7.76
Less: Provision for doubtful advances	(5.76)	(7.76)
	1,683.23	1,499.57
[includes Rs. 691.23 crores (Previous year Rs. 789.93 crores) against capital supplies and Rs. 0.18 crores due from Directors (Previous year Rs. 0.16 crores)]		
Loans to Bodies Corporate & Others		
- Considered good	1,337.41	954.31
[includes Rs. 1,080.35 crores (Previous year Rs. 785.40 crores) to subsidiaries]		
(Refer note B.26 of Schedule 20)		
Advance against Share Application Money	68.83	43.98
Security Deposits	70.52	57.03
Balances with Govt. Departments and Others	338.53	218.74
Advance Income Tax (including TDS)	1,606.10	1,092.07
Advance Wealth tax	0.38	0.24
	5,105.00	3,865.94



Schedules forming part of the Balance Sheet as at 31st March, 2011

		(Rs. in Crores)	
		As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 11			
Current Liabilities			
Sundry Creditors [includes Rs. 903.50 crores (Previous year Rs. 602.97 crores) creditors against capital supplies and includes Rs. 70.46 crores (Previous year Rs. 48.26 crores) payable to subsidiary company] (Refer note B.14 of Schedule 20)		2,049.32	2,211.71
Other Outstanding Liabilities		384.88	329.02
Advances from customers and Others [includes Rs. 8.82 crores (Previous year Rs. Nil) advance from subsidiary company]		170.20	165.63
Security Deposits*		153.40	147.92
Interest accrued but not due		37.46	32.34
Investor Education & Protection Fund**			
- Unpaid Dividend		14.18	10.66
- Unpaid Fixed Deposits		0.36	0.24
- Unpaid Interest on Fixed Deposits		0.81	0.88
		2,810.61	2,898.40

* includes a secured amount of Rs. 110.99 crores (Previous year Rs. 110.99 crores)

** There is no amount due and outstanding to be credited to Investor Education and Protection Fund

		(Rs. in Crores)	
		As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 12			
Provisions			
For Proposed Dividend		140.29	116.84
For Corporate Tax on Dividend		3.77	4.28
For Provision for Taxation		1,705.99	1,180.87
For Provision for Wealth Tax		0.82	0.64
For Leave Encashment		36.98	31.92
For Gratuity		8.49	9.16
		1,896.34	1,343.71

		(Rs. in Crores)	
		As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 13			
Miscellaneous Expenditure			
(To the extent not written off or adjusted)			
Coal Mine development expenses		3.19	3.02
		3.19	3.02

Schedules forming part of Profit & Loss Account for the year ended 31st March, 2011

(Rs. in Crores)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 14		
Sales and Operational Income		
Sales	10,421.69	7,887.55
Inter Division Transfer	1,698.30	700.09
Job Charges	19.70	0.07
Export Benefits	19.04	7.96
	12,158.73	8,595.67

(Rs. in Crores)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 15		
Other Income		
Miscellaneous Receipts	21.56	21.76
Liability/Provisions no longer required, written back	1.79	3.09
Profit on sale/discard of Fixed Assets	2.13	0.12
Profit on sale of Investments	1.13	0.44
Dividend Income	117.10	91.90
[includes Rs. 117.05 crores from subsidiary company (Previous year Rs. 91.04 crores)]		
	143.71	117.31



Schedules forming part of Profit & Loss Account for the year ended 31st March, 2011

	(Rs. in Crores)	
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 16		
Material, Manufacturing And Others		
Raw Material consumed	2,730.35	2,225.71
Goods Purchased for resale	176.80	179.63
Inter Division Transfer	1,698.30	700.09
Stores and Spares consumed	1,135.45	813.01
Power and Fuel	568.47	391.80
Other Manufacturing expenses	214.67	152.31
Royalty & Cess	119.70	85.51
Repairs to Buildings	24.36	25.32
Repairs to Plant and Machinery	191.56	208.78
Sub Total (A)	6,859.66	4,782.16
(Increase)/Decrease In Stocks		
Opening Stock - Finished Goods	560.43	570.32
- Scrap	0.47	-
- Work in Progress	119.72	61.37
	680.62	631.69
Closing Stock - Finished Goods*	872.08	551.56
- Scrap	6.56	0.47
- Work in Progress	165.58	119.72
	1,044.22	671.75
Net (Increase)/Decrease in Stock - Sub Total (B)	(363.60)	(40.06)
Excise duty on account of increase/(decrease) on stock of finished goods - Sub Total (C)	30.16	20.15
TOTAL (A+B+C)	6,526.22	4,762.25

* Net of Rs. 0.42 crores (Previous year Rs. 8.87 crores for Wire Rod Mill) of Inventory of Finished Goods during Trial Run Period of Bar Rod Mill which has been adjusted in expenditure during Trial Run period in the current year.

	(Rs. in Crores)	
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 17		
Personnel		
Salary, Wages, Bonus and other benefits	262.61	201.60
Contribution to Provident and Other funds	11.03	9.11
Workmen and Staff Welfare	9.01	6.89
Employees Compensation Expenses under Employees' Stock Option Scheme (Refer note B.5 of schedule 20)	(4.87)	(4.85)
	277.78	212.75

Schedules forming part of Profit & Loss Account for the year ended 31st March, 2011

(Rs. in Crores)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 18		
Administration, Selling And Others		
Rent	7.87	6.84
Rates and Taxes	15.82	12.57
Insurance	11.16	7.59
Auditors' Remuneration	0.52	0.36
Miscellaneous Expenses	313.23	241.56
Research & Development Expenses	5.80	3.21
Loss on Sale/Discard of Fixed Assets	2.40	2.49
Donation (Refer note no B.17 of Schedule 20)	73.96	55.50
Directors' meeting fees	0.06	0.07
Selling Expenses	355.64	202.55
Commission on Sales	2.94	7.13
Bank Charges	7.28	10.24
Financial Expenses	62.73	37.24
Provision for Doubtful debts & advances*	(0.61)	(0.18)
Prior Period Adjustment	-	0.12
Foreign exchange Fluctuation	26.70	10.57
[net of income of Rs. 43.80 crores (Previous year Rs. 38.62 crores)]		
	885.50	597.86

* Net of provision for doubtful advance of Rs. 2.00 crores written back and set off against relevant advance written off

(Rs. in Crores)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 19		
Interest		
Interest Expenses		
-Debentures and Other Fixed Loans	258.20	178.35
-Others	155.01	105.83
[includes Rs. 104.40 crores (Previous year Rs. 63.84 crores) paid to subsidiary company]		
	413.21	284.18
Less: Interest Received		
[including Tax Deducted at Source of Rs. 5.09 crores (Previous year Rs. 3.93 crores)]		
-Interest on Inter Corporate Deposits	(115.72)	(82.97)
-Others	(12.48)	(8.74)
	(128.20)	(91.71)
Net Interest	285.01	192.47



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

SCHEDULE - 20

Significant Accounting Policies and Notes to Accounts

A. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention, on going concern basis and in terms of the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 in compliance with Section 211(3C) of the Companies Act, 1956. The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realisation in respect of incomes. Accounting policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles in India.

ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

iii) Fixed Assets and Depreciation

a) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Costs include cost of acquisitions or constructions, including incidental expenses thereto and other attributable costs of bringing the asset to its working condition for its intended use and are net of available duty/tax credits.

b) Expenditure during construction period

Expenditure related to and incurred during implementation of new/expansion-cum-modernisation projects is included under capital work-in-progress and the same is allocated to the respective Fixed Assets on completion of its construction/erection.

c) Intangible Assets

Intangible Assets are recognised on the basis of recognition criteria as set out in Accounting Standard (AS-26) 'Intangible Assets'.

d) Depreciation and Amortisation

Depreciation on fixed assets is provided on straight-line method (SLM) at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Leasehold land and aircraft are amortised over the period of lease. In the case of assets where impairment loss is recognised, the revised carrying amount is depreciated over the remaining estimated useful life of the asset.

Certain Plant and Machinery have been considered as continuous process plant on the basis of technical assessment and depreciation on the same is provided for accordingly.

Intangible Assets are amortised on straight-line method over the expected duration of benefits not exceeding ten years.

iv) Impairment of Assets

The carrying amount of assets is reviewed for impairment at each balance sheet date wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount for which the asset's carrying amount exceeds its recoverable amount being the higher of the assets net selling price and its value in use. Value in use is based on the present value of the estimated future cash flows relating to the asset. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e. cash generating units).

Previously recognised impairment losses are reversed where the recoverable amount increases because of favourable changes in the estimates used to determine the recoverable amount since the last impairment was recognised. A reversal of an asset's impairment loss is limited to its carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior years.

v) Accounting for Leases

a) Finance lease, is recognised as an asset and a liability to the lessor at fair value at the inception of the lease.

b) The lease payments under operating lease as per respective lease agreements are recognised as expense in the profit and loss account on a straight line basis over the lease term.

vi) Borrowing Cost

Borrowing cost related to a qualifying asset is worked out on the basis of actual utilisation of funds out of

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

project specific loans and/or other borrowings to the extent identifiable with the qualifying asset and is capitalised with the cost of the qualifying asset. Other borrowing costs incurred during the period are charged to profit and loss account.

vii) Segment Reporting

a) Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products manufactured and services provided, with each segment representing a strategic business unit that offers different products. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

b) Inter-segment transfers

The Company accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

c) Allocation of common costs

Common allocable costs are allocated to each segment on reasonable basis.

d) Unallocated items

It Include general corporate income and expense items which are not allocable to any business segment.

e) Segment Policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

viii) Valuation of Inventories

Raw Materials and Stores & Spares are valued at lower of cost, computed on weighted average basis, and net realisable value. Cost includes the purchase price as well as incidental expenses. Scrap is valued at estimated realisable value.

Work-in-process is valued at lower of estimated cost and net realisable value and finished goods are valued at lower of cost and net realisable value. Cost for this purpose includes direct cost and appropriate administrative and other overheads.

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

ix) Inter-Division Transfers

Inter-division transfer of goods, as independent marketable products produced by various divisions for captive consumption, is accounted for at approximate prevailing market price. The same is shown as a contra item to reflect the true working of the respective divisions in the Profit & Loss Account. Any unrealised profit on unsold stocks is eliminated while valuing the inventories. The value of such inter-divisional transfer is netted off from sales and operational income and expenses under materials, manufacturing and others.

Inter-divisional transfer/captive consumption related to Fixed Assets is at cost.

x) Foreign Currency Transactions

Foreign currency transactions are recorded at the rate of exchange prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated at the year-end exchange rates and resultant gains/losses are recognised in the profit & loss account for the year, except to the extent that they relate to new projects till the date of capitalisation which are carried to pre-operative expenses and those relating to fixed assets which are adjusted to the carrying cost of the respective assets.

In case of forward foreign exchange contracts, exchange differences are dealt with in the profit & loss account over the life of the contract except those relating to fixed assets in which case they are capitalised with the cost of respective fixed assets. Non-monetary foreign currency items are carried at historical cost.

In case of foreign subsidiaries, with non-integral foreign operations, revenue items are converted at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange difference arising on conversion is recognised in Foreign Currency Translation Reserve.

xi) Investments

Long-term investments are carried at cost. Provision is made when, in the opinion of the management, diminution in the value of investment is other than temporary in nature. Current investments are carried at the lower of cost or market/fair value.

xii) Revenue Recognition

a) Sales and Operational Income comprises of sales, inter-division transfer, job charges and export benefits. 'Net Sales and Operational Income', net of excise duty and inter-divisional transfer is also disclosed separately.



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

- b) Sales is inclusive of excise but net of returns, rebates, VAT and sales tax. Materials returned/rejected are accounted for in the year of return/rejection.
- c) Export sales are accounted for on the basis of the date of bill of lading/airways bill.
- d) Income from job charges is accounted for at the time of completion of service and billing thereof.
- e) Export benefits available under the Export Import policy of the Government of India are accounted for in the year of export, to the extent measurable.
- xiii) **Other Income**
- a) *Claims receivable*
Since it is not possible to ascertain with reasonable certainty, the quantum of accruals in respect of claims recoverable such as from Railways, Insurance, Electricity, Customs, Excise and the like, the same are accounted for on receipt basis.
- b) *Income from Investment*
Income from Investment is accounted for on accrual basis when the right to receive income is established.
- xiv) **Excise Duty**
Excise Duty liability on finished goods manufactured and lying in the factory is accounted for and the corresponding amount is considered for valuation thereof.
- xv) **Employee Benefits**
Expenses & liabilities in respect of employee benefits are recorded in accordance with Accounting Standard (AS-15) 'Employee Benefits'.
- a) *Provident Fund*
The Company makes contribution to statutory provident fund in accordance with the Employees Provident Fund & Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.
- b) *Gratuity*
Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of the defined benefit/obligation at the Balance Sheet date less the fair value of plan assets, together with adjustment for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the Balance Sheet date by an independent Actuary using the projected unit credit method.
- c) *Compensated absences*
Liability in respect of Compensated absences due or expected to be availed within one year from the Balance Sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the Balance Sheet date is estimated on the basis of an actuarial valuation performed by an independent Actuary using the projected unit credit method.
- d) *Other short term benefits*
Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.
- xvi) **Research and Development Expenditure**
Research and Development expenditure not fulfilling the recognition criteria as set out in Accounting Standard (AS-26) 'Intangible Assets' is charged to the profit and loss account while capital expenditure is added to the cost of fixed assets in the year in which it is incurred.
- xvii) **Employee Stock Option Scheme**
Stock options granted to the employees of the Company and its subsidiary under the Employees' Stock Option Scheme(s) are evaluated on Intrinsic Value Method as per the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by the Securities and Exchange Board of India.
- Accordingly, excess of market value of the stock option as on date of grant over the exercise price of the option is recognised as deferred employee compensation and is charged to the profit and loss account as employee cost on straight line method over the vesting period of the options. The options that lapse are reversed by a credit to employees' compensation expenses, equal to amortised portion of value of lapsed portion and

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

credit to deferred employee compensation expense, equal to the unamortised portion. The balance in employee stock option outstanding amount net of any unamortised deferred employee compensation is shown separately as part of shareholder's funds.

xviii) Taxes on Income

Provision for current tax is made considering various allowances and benefits available to the Company under the provisions of the Income Tax Act, 1961.

In accordance with Accounting Standard (AS-22) 'Accounting for Taxes on Income', deferred taxes resulting from timing differences between book and tax profits are accounted for at the tax rate substantively enacted by the Balance Sheet date to the extent the timing differences are expected to be crystallised. Deferred tax assets are recognised and reviewed at each Balance Sheet date to the extent there is reasonable/virtual certainty of realising such assets against future taxable income.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

xix) Provisions, contingent liabilities and contingent assets

Provisions are recognised for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of resources embodying economic benefits is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefits is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

xx) Miscellaneous Expenditure

Iron ore/Coal mines development expenditure shown under 'Miscellaneous Expenditure' is amortised over a period of ten years starting from the year of commencement of commercial production.

xxi) Earnings per Share

The earnings considered in ascertaining the Company's Earnings per Share (EPS) comprise of the net profit after tax attributable to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period adjusted for events of bonus issue post period end, bonus elements in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares). The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

xxii) Financial Derivatives

Forward contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions, are treated as foreign currency transactions and accounted as per Accounting Standard (AS-11) 'The Effects of Changes in Foreign Exchange Rates'. Exchange differences arising on such contracts are recognised in the period in which they arise.

All other derivative contracts, including forward contracts entered into to hedge foreign currency/ interest rate risks on unexecuted firm commitments and highly probable forecast transactions, are recognised in the financial statements at fair value at each reporting date, in pursuance of the announcement of the Institute of Chartered Accountants of India (ICAI) on Accounting for Derivatives.



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

B. NOTES TO ACCOUNTS

1. Contingent Liabilities not provided for in respect of:

Description	(Rs. in Crores)	
	Current Year	Previous Year
a) Guarantees issued by the Company's Bankers on behalf of the Company	351.11	323.39
b) Letter of credit opened by banks	1,453.12	1,234.89
c) Corporate guarantees/undertakings issued on behalf of third parties.	3,359.50	1,825.95
d) Disputed Excise Duty and Other demands	684.77	632.30
e) Future liability on account of lease rent for unexpired period.	-	8.85
f) Bonds executed for machinery imports under EPCG Scheme	3,039.99	2,529.15
g) Income Tax demands where the cases are pending at various stages of appeal with the authorities	187.21	111.03

2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances): Rs. 3,763.48 crores (Previous year Rs. 6,163.80 crores).

3. One of the Company's expansion units at Raigarh (Chhattisgarh) is eligible for sales tax exemption owing to its investment in capital assets under the State industrial policy which aims towards the objective of industrialisation of the State and development of backward areas. The period of exemption is linked to the quantum of investment. The Company has been advised that the element of sales tax included in the sales price of products sold out of this Unit is in the nature of sales tax subsidy granted by the State Government. Accordingly, the same amounting to Rs. 32.23 crores (Previous year Rs. 33.33 crores) has been credited during the year to Sales Tax Subsidy Reserve Account. The cumulative amount credited to Sales Tax Subsidy Reserve Account up to 31st March, 2011 is Rs.197.19 crores (Previous year Rs. 164.96 crores).

4. In accordance with Accounting Standard (AS-29) 'Provisions, Contingent Liabilities and Contingent Assets' and based on management assessment, the Company had made a provision for contingencies on account of duties and taxes payable under various laws. At the beginning of the financial year, there was an outstanding provision of Rs. 156.02 crores (Previous year Rs. 156.02 crores) included in 'Other Outstanding Liabilities'. No provision/utilisation was made either in the current year or in the previous year. At the end of the financial year, there is an outstanding provision of Rs. 156.02 crores (Previous year Rs.156.02 crores).

5. The Employees Stock Option Scheme - 2005 (ESOS-2005) was approved by the shareholders of the Company in their Annual General Meeting held on

25th July, 2005 and amended by shareholders on 27th September, 2006. Under ESOS-2005, a maximum of 11,00,000 (Eleven lacs) equity shares of Rs. 5 each could be granted to the employees of the Company and its subsidiary company(ies). In-principle approval from National Stock Exchange of India Limited and Bombay Stock Exchange Limited was given on 01.02.2006. A Compensation Committee was constituted by the Board of Directors of the Company in their meeting held on 12th May, 2005 for the administration of ESOS-2005. Under ESOS-2005, the Compensation Committee has granted stock options as follows:

- 8,59,400 (Eight lacs fifty nine thousand four hundred) stock options on 26.11.2005 at an exercise price of Rs. 1,014 per share (Series I) which would vest after 2 years from the date of grant to the extent of 50% (Part 1), after 3 years from the date of grant to the extent of 25% (Part 2) and after 4 years from the date of grant to the extent of 25% (Part 3);
- 1,29,550 (One lac twenty nine thousand five hundred fifty) stock options on 02.09.2006 at an exercise price of Rs. 1,121 per share (Series II) which would vest after 2 years from the date of grant to the extent of 50% (Part 1), after 3 years from the date of grant to the extent of 25% (Part 2) and after 4 years from the date of grant to the extent of 25% (Part 3); and
- 1,36,950 (One lac thirty six thousand nine hundred fifty) stock options on 27.04.2007 at an exercise price of Rs.1,819 per share (Series III) which would vest after 2 years from the date of grant to the extent of 50% (Part 1), after 3 years from the date of grant to the extent of 25% (Part 2) and after 4 years from the date of grant to the extent of 25% (Part 3).

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

Pursuant to Clause 5.3 (f) of SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and Para 18 of the ESOS-2005 of the Company, the Compensation Committee is authorised to make a fair and reasonable adjustment to the number of options and to the exercise price in respect of options granted to the employees under the Scheme in case of corporate actions such as right issue, bonus issue, merger etc.

On 27.12.2007, sub-division of the face value of each equity share of the Company from Rs. 5 to 5 equity shares of Re. 1 each was approved by the shareholders in their General Meeting. Thereafter, the Compensation Committee has, in its meeting held on 27.01.2008, made an adjustment to the exercise price by reducing it in case of Series I to Rs. 203 Series II to Rs. 225 and Series III to Rs. 364 per equity share of Re. 1 each and to the number of options by increasing it 5 times the original grant consequent to which the number of maximum options that could be issued under the ESOS-2005 increased to 55,00,000 (Fifty five lacs) [originally 11,00,000 (Eleven lacs)]

Thereafter, the following allotments of equity shares were made under ESOS-2005 on the exercise of options:

- a) 6,91,343 (Six lacs ninety one thousand three hundred forty three) equity shares of Re. 1 each were allotted on 16th June, 2008 on exercise of options granted under Part 1 of Series I of ESOS-2005;
- b) 57,136 (Fifty seven thousand one hundred thirty six) equity shares of Re. 1 each were allotted on 13th April, 2009 on exercise of options granted under Part 1 of Series II of ESOS-2005;
- c) 4,20,487 (Four lacs twenty thousand four hundred eighty seven) equity shares of Re. 1 each were allotted on 21st July, 2009 on exercise of options granted under Part 2 of Series I of ESOS-2005.

The remaining 43,31,034 (Forty three lacs thirty one thousand thirty four) equity shares of Re. 1 each were available for allotment under ESOS-2005 after the above 3 allotments.

On 4th September, 2009, issue of 5 equity shares of Re. 1 each as bonus shares on each existing equity share of the Company was approved by the shareholders in their General Meeting and on 19th September, 2009, fully paid-up bonus shares were allotted.

Thereafter, pursuant to clause 5.3 (f) of SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and Para 18 of the ESOS-2005 of the Company, the Compensation Committee has, in its meeting held on 31st October, 2009 made the following adjustments:-

- a) The number of unexercised options and options yet to be granted is increased by 5 times consequently increasing the number of unexercised and options yet to be granted from 43,31,034 (Forty three lacs thirty one thousand thirty four) to 2,59,86,204 (Two Crores fifty nine lacs eighty six thousand two hundred four);
- b) The price of unexercised options was reduced in case of Series I to Rs. 34, Series II to Rs. 38 and Series III to Rs. 61 per equity share of Re. 1 each.

In-principle approval for listing of additional 2,16,55,170 (Two Crores sixteen lacs fifty five thousand one hundred seventy) equity shares were obtained from National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

Thereafter, the following allotments of equity shares were made under ESOS-2005 on exercise of options:-

- a) 4,52,246 (Four lacs fifty two thousand two hundred forty six) equity shares of Re. 1 each were allotted on 30th January, 2010 on exercise of options granted under Part 1 of Series III of ESOS-2005;
- b) 2,52,006 (Two lacs fifty two thousand six) equity shares of Re. 1 each were allotted on 13th April, 2010 on exercise of options granted under Part 2 of Series II of ESOS-2005;
- c) 24,56,922 (Twenty four lacs fifty Six thousand nine hundred twenty two) equity shares of Re. 1 each were allotted on 23rd June, 2010 on exercise of options granted under Part 3 of Series I of ESOS-2005;



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

- d) 3,26,021 (Three lacs twenty Six thousand twenty one) equity shares of Re. 1 each were allotted on 1st February, 2011 on exercise of options granted under Part 2 of Series III of ESOS-2005.

The Details of ESOS-2005 are as under:

	ESOS-2005		
	Series-I	Series-II	Series-III
1. Grant Price – Rupees	34	38	61
2. Grant Date	26.11.2005	02.09.2006	27.04.2007
3. Vesting commences on	26.11.2007	02.09.2008	27.04.2009
4. Vesting Schedule	50% of grant on 26.11.2007, subsequent 25% of grant on 26.11.2008 and balance 25% of grant on 26.11.2009	50% of grant on 02.09.2008, subsequent 25% of grant on 02.09.2009 and balance 25% of grant on 02.09.2010	50% of grant on 27.04.2009, subsequent 25% of grant on 27.04.2010 and balance 25% of grant on 27.04.2011
5. Option granted and outstanding at the beginning of the year	49,54,110	10,37,250	14,81,250
6. Option granted during the year (due to bonus shares)	-	-	-
7. Option lapsed and/or withdrawn during the period	24,97,188	5,44,680	4,14,604
8. Option exercised during the year against which shares were allotted	24,56,922	2,52,006	3,26,021
9. Option granted and outstanding at the end of the year of which	-	2,40,564	7,40,625
- Options vested	-	2,40,564	-
- Options yet to vest	-	-	7,40,625

During the year an amount of Rs. 15.69 crores pertaining to equity shares issued under the Employee Stock Option Scheme in the earlier period has been transferred from Employee Stock Option Outstanding Account to Securities Premium Account.

6. a) Provision for current income tax has been made considering various benefits and allowances available to the Company under the provisions of the Income Tax Act, 1961.
- b) Movement of deferred tax provision/adjustment in accordance with Accounting Standard (AS-22) 'Accounting for Taxes on Income' is as under:

(Rs. in Crores)

	As on 1st April, 2009	Charge/ (Credit) during 2009-10	As on 1st April, 2010	Charge/ (Credit) during the year	As on 31st March, 2011
A. Deferred Tax Assets					
a) Disallowance u/s 43-B of the Income Tax Act, 1961	(78.07)	(8.94)	(87.01)	(13.81)	(100.82)
b) Provision for Doubtful Debtors	(1.79)	0.27	(1.52)	0.01	(1.51)
Total Deferred Tax Assets	(79.86)	(8.67)	(88.53)	(13.80)	(102.33)
B. Deferred Tax Liabilities					
1) Difference between Book and Tax Depreciation	678.60	123.90	802.50	177.13	979.63
2) Miscellaneous Expenditure written off	1.03	-	1.03	-	1.03
Total Deferred Tax Liabilities	679.63	123.90	803.53	177.13	980.66
C. Total Deferred Tax (Net)	599.77	115.23	715.00	163.33	878.33

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

7. A. Pre-operative expenditure forming part of capital work in-progress is as under:

		(Rs. in Crores)	
		Current Year	Previous Year
Amount brought forward from last year		440.21	274.54
Add: Expenditure incurred during the year			
Personnel expenses		62.05	52.25
Consultancy charges		85.29	20.18
Financial expenses		69.20	39.99
Depreciation		7.55	5.48
Foreign exchange fluctuation(Net)		7.62	28.33
Miscellaneous expenses		111.67	40.81
		783.59	461.58
Less: Capitalised as part of			
Plant and Machinery		354.19	10.77
Building		45.18	9.92
Other fixed assets		0.80	0.68
Amount carried forward under capital work-in-progress		383.42	440.21

B. Expenditure during Trial Run period relating to Power Plant and Bar Mill has been capitalised as Fixed Assets as under:

					(Rs. in Crores)	
Description	Current Year		Previous Year			
	Power Plants	Bar Mill	Total	Wire Rod Mill		
Income						
Sales	6.21	-	6.21	1.79		
Increase/(Decrease) in Stock	-	0.42	0.42	8.87		
Total Income (A)	6.21	0.42	6.63	10.66		
Less: Expenditure						
Raw materials consumed	-	0.39	0.39	8.98		
Power and Fuel	6.46	0.23	6.69	2.57		
Personnel expenses	-	0.04	0.04	3.24		
Stores and spare parts consumed	30.96	0.60	31.56	0.24		
Repairs and Maintenance	1.29	-	1.29	0.04		
Excise duty paid	-	-	-	0.31		
Depreciation	-	-	-	0.09		
Other Expenses	-	-	-	1.23		
Total Expenditure (B)	38.71	1.26	39.97	16.70		
Loss during Trial run period during the current financial year (A-B)	32.50	0.84	33.34	6.04		
Add: Amount brought forward	-	-	-	-		
Total Capitalised with the cost of fixed assets	32.50	0.84	33.34	6.04		



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

8. Additions/(Adjustments) to Plant and Machinery/Capital work-in-progress includes addition of Rs. 165.92 crores [Previous year adjustment of Rs. (149.87) crores] on account of foreign exchange fluctuation on long-term liabilities relating to acquisition of Fixed Assets pursuant to the Notification issued by the Ministry of Corporate Affairs relating to Accounting Standard (AS-11) 'The Effects of Changes in Foreign Exchange Rates'.
9. Sales/Adjustments in gross block and depreciation under Schedule 5 includes the assets taken out of active use during the financial year of Rs. Nil and Rs. Nil (Previous year Rs. 19.80 crores and Rs. 1.89 crores) respectively. These items of fixed assets are included in the inventory of stores & spares at estimated realisable value.
10. Expenditure on Research & Development Activities, incurred during the year, is Rs. 12.25 crores (including capital expenditure of Rs. 6.45 crores) (Previous year Rs. 3.71 crores, including capital expenditure of Rs. 0.50 crores).
11. The Company has unquoted investments of Rs. 1,219.25 crores in body corporates (Previous year Rs. 1,075.78 crores). The management had made a provision for diminution in the value of investments of Rs. 11.54 crores during the earlier years. Based on the financial position of the investee companies, the management is of the view that the provision created is adequate.
12. In the opinion of the Board, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities has been made.
13. Advances recoverable in cash or in kind or for value to be received includes Rs. 0.18 crores (Previous year Rs. 0.16 crores) being the amount due from directors/officers of the Company. Maximum amount outstanding at any time during the year was Rs. 0.45 crores (Previous year Rs. 0.48 crores).
14. The Company has so far not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year-end together with interest paid/payable under this Act has not been given.
15. A. Auditors' Remuneration includes the following:

(Rs. in Crores)		
	Current Year	Previous Year
Payments towards		
- Audit fee	0.30	0.30
- Tax Audit fee	0.02	0.02
- Other Services	0.12	-
- Out of Pocket expenses	0.08	0.04
	0.52	0.36

- B. Cost Auditors' Remuneration includes the following:

(Rs. in Crores)		
	Current Year	Previous Year
Payments towards		
- Audit fee	0.02	0.01
- Out of Pocket expenses	0.01	0.00
	0.03	0.01

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

C. Managerial Remuneration:

- 1) Computation of Net profit in accordance with section 349 of the Companies Act, 1956 for the purpose of managerial remuneration.

(Rs. in Crores)		
	Current Year	Previous Year
Profit for the year before taxation as per profit and loss account:	2,753.36	1,907.50
Add:		
-Director's remuneration	77.82	76.28
-Miscellaneous Expenditure written off	-	-
-Provision for doubtful debts and advances	(0.61)	(0.18)
-Loss on sale of Fixed Assets	2.40	2.49
-Loss on sale of Investments	-	-
Less:		
- Profit on sale/discard of fixed assets	2.13	0.12
- Profit on sale of Investments	1.13	0.44
Net profit on which commission is payable	2,829.71	1,985.53
Share in Profits @ 2% of Net Profit	56.59	39.71

- 2) Director's Remuneration includes the following:

(Rs. in Crores)		
	Current Year	Previous Year
Remuneration paid to Directors including the Managing Director and Whole time Directors		
-Salary	14.83	12.54
-Share in Profits to Executive Vice Chairman and Managing Director	56.59	60.07
-Incentive to Vice Chairman and CEO	1.00	1.00
-Contribution to Provident Fund and Other funds	1.31	1.17
-Monetary value of perquisites*	4.09	1.50
* Valuation as per the provisions of the Income Tax Act, 1961. As the future liability for Gratuity and Leave encashment is provided in actuarial basis for the company as a whole, the amount pertaining to directors are not included above		

16. The Company has paid lease rentals of Rs. 7.87 crores (Previous year Rs. 6.84 crores) under cancellable operating leases. There are no non-cancellable operating leases.
17. Donations include Rs. Nil (Previous year Rs. 0.50 crores) to Haryana Pradesh Congress Committee, being a political party.
18. Prior period adjustment (net) includes:

(Rs. in Crores)		
	Current Year	Previous Year
Expenses relating to earlier years		
- Miscellaneous Expenses	Nil	0.12



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

19. Borrowing cost incurred during the year and capitalised by the Company is Rs. 71.02 crores (Previous year Rs. 0.28 crores). Borrowing Cost incurred during the year and transferred to Capital Work in Progress by the Company is Rs. 202.69 crores (Previous year Rs. 108.81 crores).
20. In the previous year, dividend proposed relating to the shares under ESOP was made on the basis of options vested but not exercised till the end of the financial year. Provision made in respect of options lapsed and not exercised in the current year has been adjusted with the dividend proposed for the year ended on 31st March, 2011.
21. The Company has made a provision of Rs. 3.75 crores (Previous year Rs. 4.28 crores) net of reversal of Rs. 0.02 crores (Previous year Rs. Nil) for Corporate Dividend Tax on the amount of dividend proposed for the year ended 31st March, 2011 after considering the set-off of interim dividend declared by a subsidiary company for the same financial year, as per the provisions of section 115-O of the Income Tax Act, 1961.
22. Earning per Share as required by Accounting Standard (AS-20):

(Rs. in Crores, except per share data)

	Current Year	Previous Year
Profit after Taxation	2,064.12	1,479.68
Profit attributable to ordinary shareholders	2,064.12	1,479.68
Number of Equity Shares (in nos.)		
Issued and subscribed	933,428,727	930,727,664
Number of Potential Equity Shares (under Employees' stock option scheme)	901,250	7,030,687
Total no. of shares including potential equity shares	934,329,977	937,758,351
Basic earning per Share (Rs.)	22.11	15.90
Diluted earning per Share (Rs.)	22.09	15.78

23. As per Accounting Standard (AS-15) 'Employee Benefits', the disclosure of employee benefits as defined in the Accounting Standard is given below:

(Monetary figures Rs. in Crores)

	Current Year		Previous Year	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
I Components of Employer Expense	Funded	Unfunded	Funded	Unfunded
1 Current Service Cost	3.57	7.45	1.51	6.35
2 Interest Cost	1.80	2.59	0.76	2.07
3 Expected Return on Plan Assets	(1.13)	-	(0.76)	-
4 Curtailment Cost/(Credit)	-	-	-	-
5 Settlement Cost/(Credit)	-	-	-	-
6 Past Service Cost	0.66	-	8.37	-
7 Actuarial Losses/(Gains)	1.72	(0.33)	(0.54)	(1.00)
8 Total expense recognised in the Profit & Loss Account	6.62	9.71	9.34	7.42
II Actual Returns for the year ended March 31, 2011	1.26	-	0.66	-

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

	Current Year		Previous Year	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
III	Funded	Unfunded	Funded	Unfunded
Net Assets/(Liability) recognised in the Balance Sheet as at March 31, 2011				
1 Present value of Defined Benefit Obligation	(26.30)	(36.98)	(21.13)	(31.92)
2 Fair Value of Plan Assets	16.48	-	9.97	-
3 Status {Surplus/(Deficit)} (1-2)	(9.82)	(36.98)	(11.16)	(31.92)
4 Unrecognised Past Service Cost	1.33	-	2.00	-
Net Assets/(Liability) recognised in the Balance Sheet (3+4)	(8.49)	(36.98)	(9.16)	(31.92)
IV				
Change in Defined Benefit Obligation (DBO) during the year ended March 31, 2011				
Present Value of DBO at the beginning of the year	(21.13)	(31.92)	(9.51)	(26.15)
1 Current Service Cost	(3.57)	(7.45)	(1.51)	(6.35)
2 Interest Cost	(1.80)	(2.59)	(0.76)	(2.07)
3 Curtailment Cost/(Credit)	-	-	-	-
4 Settlement Cost/(Credit)	-	-	-	-
5 Plan Amendments	-	-	(10.37)	-
6 Acquisitions	1.29	1.81	-	-
7 Actuarial (Losses)/Gains	(1.84)	0.33	0.65	1.00
8 Benefits Paid	0.75	2.84	0.37	1.65
Present Value of DBO at the end of the year	(26.30)	(36.98)	(21.13)	(31.92)
V				
Change in Fair Value of Assets during the year ended March 31, 2011				
Plan Assets at the beginning of the year	9.97	-	7.04	-
1 Acquisition Adjustment	-	-	-	-
2 Expected Return on Plan Assets	1.13	-	0.76	-
3 Actuarial (Losses)/Gains	0.12	-	(0.10)	-
4 Actual Company Contribution	6.01	2.84	2.64	1.65
5 Benefit Paid	(0.75)	(2.84)	(0.37)	(1.65)
Plan Assets at the end of the year	16.48	-	9.97	-
VI				
Actuarial Assumptions				
1 Discount Rate (%)	8.50	8.50	8.50	8.50
2 Expected Return on Plan Assets (%)	9.00	-	9.00	-



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

	Current Year		Previous Year	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Unfunded	Funded	Unfunded
Gratuity				
VII Experience History	2010-11	2009-10	2008-09	2007-08
1 Defined benefit obligation	(26.30)	(21.13)	(9.51)	(7.56)
2 Plan Assets	16.48	9.97	7.04	4.38
3 Surplus/(Deficit)	(9.82)	(11.16)	(2.47)	(3.18)
4 Experience (Loss)/Gain on plan liabilities	(0.66)	(0.22)	0.02	(0.39)
5 Experience (Loss)/Gain on plan assets	0.12	(0.10)	0.29	(0.02)
6 Actuarial (Loss)/Gain due to change on assumptions	(1.18)	(0.87)	(0.44)	(1.31)
Leave Encashment				
1 Defined benefit obligation	(36.98)	(31.92)	(26.15)	(13.15)
2 Plan Assets	-	-	-	-
3 Surplus/(Deficit)	(36.98)	(31.92)	(26.15)	(13.15)
4 Experience (Loss)/Gain on plan liabilities	(1.94)	4.90	(6.12)	(1.02)
5 Experience (Loss)/Gain on plan assets	N.A.	N.A.	N.A.	N.A.
6 Actuarial (Loss)/Gain due to change on assumptions	2.27	(3.90)	(1.80)	(8.71)

24. Disclosures as required by Accounting Standard (AS-17) 'Segment Reporting':

The primary reportable segments are the business segments namely Iron & Steel and Power. The secondary reportable segments are geographical segments which are based on the sales to customers located in India and outside India.

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter-segment revenue.
- Expenses that are directly identifiable with/allocable to segments are considered for determining the segment results.
- Expenses/Incomes which relates to the Company as a whole and not allocable to segments are included under Other Un-allocable Expenditure (net of Un-allocable Income).
- Segment assets and liabilities include those directly identifiable with respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to Company as a whole and not allocable to any segment.

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

I) Primary Segments (Business Segments):

Particulars	(Rs. in Crores)	
	Current Year	Previous Year
1. Segment Revenue		
a) Iron and Steel	10,088.31	7,567.11
b) Power	1,214.31	1,049.87
c) Others	127.21	131.91
Sub – Total	11,429.83	8,748.89
Less: Inter-segment Revenue	969.40	853.31
Net Segment Revenue	10,460.43	7,895.58
2. Segment Results (Profit(+)/ Loss(-) before Tax and interest from each segment)		
a) Iron and Steel	2,822.85	1,871.52
b) Power	581.12	486.92
c) Others	(0.06)	(11.18)
Sub – Total	3,403.91	2,347.26
Less: Interest, financial expenses and lease rent	355.02	239.95
Other un-allocable expenditure (net of un-allocable income)	295.53	199.81
Profit before Tax	2,753.36	1,907.50
Provision for Taxation		
– Income Tax	525.49	312.52
– Deferred Tax	163.33	115.23
– Wealth Tax	0.42	0.07
Profit after tax	2,064.12	1,479.68
3. Other Information		
I Segment Assets		
a) Iron and Steel	12,700.90	12,025.23
b) Power	5,716.66	4,066.96
c) Others	576.76	527.77
d) Un-allocated Assets*	7,394.97	3,466.41
TOTAL ASSETS	26,389.29	20,086.37
II Segment Liabilities		
a) Iron and Steel	1,750.93	2,290.82
b) Power	49.97	31.31
c) Others	26.52	16.52
d) Un-allocated Liabilities	3,757.86	2,618.46
TOTAL LIABILITIES	5,585.28	4,957.11
III Capital Expenditure (Including Capital work in Progress)		
a) Iron and Steel	2,347.57	3,382.92
b) Power	2,402.51	2,335.91
c) Others	18.41	22.89
TOTAL	4,768.49	5,741.72



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

Particulars	(Rs. in Crores)	
	Current Year	Previous Year
IV Depreciation		
a) Iron and Steel	563.69	423.17
b) Power	98.26	64.82
c) Others	25.82	24.17
TOTAL	687.77	512.16
V Non-Cash expenditure other than depreciation		
a) Iron and Steel	(5.48)	(5.03)
b) Power	-	-
c) Others	-	-
TOTAL	(5.48)	(5.03)

* Unallocated assets include capital work in progress relating to ongoing projects with corresponding liabilities under unallocated liabilities.

II) Secondary Segments (Geographical Segments):

Particulars	(Rs. in Crores)	
	Current Year	Previous Year
1. Revenue by Geographical Market		
a) India	9,064.60	7,294.94
b) Outside India	1,395.83	600.64
TOTAL	10,460.43	7,895.58

25. Disclosure as required by Accounting Standard (AS-18) 'Related Party Disclosures':

The names of related parties where control exist and/or with whom transactions have taken place during the year and description of relationship as identified and certified by the management are:

A. List of Related Parties and Relationships

a) **Subsidiaries & Step-down Subsidiaries**

I. Subsidiaries

1. Jindal Minerals & Metals Africa Limited
2. Jindal Power Limited
3. Jindal Steel & Power (Mauritius) Limited
4. Jindal Steel Bolivia SA

II. Subsidiaries of Jindal Power Limited

1. Attunli Hydro Electric Power Company Limited
2. Etalin Hydro Electric Power Company Limited
3. Jindal Hydro Power Limited
4. Jindal Power Distribution Limited
5. Jindal Power Trading Company Limited (formerly Chhattisgarh Energy Trading Company Limited)

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

6. Jindal Power Transmission Limited
7. Subansiri Hydro Electric Power Company Limited
- III. Subsidiaries of Jindal Minerals & Metals Africa Limited*
1. Jindal Minerals and Metals Africa Congo SPRL
- IV. Subsidiaries of Jindal Steel & Power (Mauritius) Limited*
1. Affiliate Overseas Limited
2. Enduring Overseas Limited
3. Harmony Overseas Limited
4. Jindal Africa Investments (Pty) Limited
5. Jindal Brasil Mineracao SA
6. Jindal DRC SPRL
7. Jindal Investimentos LDA
8. Jindal Investment Holdings Limited
9. Jindal Madagascar SARL
10. Jindal Minerals Mining Limited (Till 03.11.2010)
11. Jindal Mining & Exploration Limited
12. Jindal Mining Industry LLC
13. Jindal Power LLC
14. Jindal Steel & Power (Australia) Pty Limited (w.e.f. 15.06.2010)
15. Jindal Steel & Power Zimbabwe Limited (w.e.f. 06.05.2010)
16. JSPL Mozambique Minerai LDA
17. Jubilant Overseas Limited
18. Osho Madagascar SARL
19. PT Jindal Overseas
20. Rolling Hills Resources LLC
21. Shadeed Iron & Steel Co. LLC (w.e.f. 29.06.2010)
22. Skyhigh Overseas Limited
23. Trans Atlantic Trading Limited
24. Vision Overseas Limited
25. Worth Overseas Limited
- V. Others*
1. Belde Empreendimentos Mineiros Limited, a subsidiary of JSPL Mozambique Minerai LDA
2. Eastern Solid Fuels (Pty) Limited, a subsidiary of Jindal Mining & Exploration Limited
3. Gas to Liquids International S.A., a subsidiary of Worth Overseas Limited
4. Jindal Mining (Pty) Limited, a subsidiary of Eastern Solid Fuels (Pty) Limited



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

5. Kasai Sud Diamant, a subsidiary of Jindal DRC SPRL

b) Associates

1. Angul Sukinda Railway Limited
2. Nalwa Steel & Power Limited
3. Saras Mineracao de Ferro S.A. (Associate of Jindal Steel & Power Mauritius Limited) (Till 02.06.2010)
4. Jindal Infosolutions Private Limited (w.e.f. 30.03.2011)

c) Joint Ventures

1. Jindal Synfuels Limited (formerly Jindal Coal to Liquid Limited)
2. Shresht Mining and Metals Private Limited
3. Urtan North Mining Private Limited

d) Key Management Personnel

1. Shri Naveen Jindal (Exec. Vice Chairman & Managing Director)
2. Shri Vikrant Gujral (Group Vice Chairman & Head Global Ventures)
3. Shri Anand Goel (Jt. Managing Director, Corporate Affairs)
4. Shri Arun K. Mukherji (Whole time Director upto 23.11.2010)
5. Shri Naushad Akhter Ansari (Whole time Director from 01.12.2010)

e) Enterprises over which Key Management Personnel and their relatives exercise significant influence and with whom transactions have taken place during the year

1. Advance Sporting Arms Private Limited
2. Bir Plantation Private Limited
3. Gagan Infraenergy Limited (formerly Gagan Sponge Iron Limited)
4. India Flysafe Aviation Limited
5. Jindal Coal Private Limited
6. Jindal Realty Private Limited
7. Jindal Rex Exploration Private Limited
8. Jindal Saw Limited
9. Jindal Stainless Limited
10. Jindal System Private Limited
11. Minerals Management Services (India) Private Limited (formerly Minerals Management Services (India) Limited)
12. Nalwa Sons Investment Limited
13. Opelina Finance and Investment Limited
14. Trishakti Real Estate Infrastructure and Developers (P) Limited
15. Uttam Vidyut Transmission Private Limited
16. YNO Finvest Private Limited

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

B. Transactions with Related Parties

(Rs. in Crores)

Description	Subsidiary, Step down Subsidiaries, Associates and Joint ventures		Key Management Personnel		Enterprises controlled by Key Management personnel and their relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Purchase of Goods/Services	467.81	284.31	-	-	23.33	46.47
Sales of Goods (incl. capital goods)	344.07	136.99	-	-	954.52	446.77
Rendering Of Services	28.35	8.23	-	-	3.30	0.08
Sale Of Investments	-	6.03	-	-	-	-
Investment in Equity Shares during the year	142.80	10.05	-	-	-	-
Advance against share Application money	25.47	36.71	-	-	-	-
Other Advances given/(taken)	-	-	0.18	0.16	27.73	-
Rent and other expenses Paid	-	-	0.02	-	-	0.04
Interest received/(paid)	(31.38)	(17.79)	-	-	29.30	25.58
Dividend received/(paid)	117.05	91.04	-	(0.17)	-	(13.06)
Remuneration*	-	-	77.76	76.28	-	-
Lease rent received	-	-	-	-	3.00	5.40
Hire charges paid	-	-	-	-	22.09	21.72
Guarantees/Corporate guarantees obtained/(given)	(3,159.62)	(1,701.39)	-	-	-	(16.66)
Inter-corporate deposits given	295.52	325.57	-	-	-	39.69
Inter-corporate deposits taken	836.00	1,746.02	-	-	-	-
Inter-corporate deposits refunded	516.00	587.09	-	-	-	-
Outstanding Balance at the year end						
Investment in Equity Shares	1,179.42	1,035.95	-	-	-	-
Guarantees Outstanding	3,231.37	-	-	-	16.66	16.66
Inter Corporate Deposits Taken	1,518.56	1,198.56	-	-	-	-
Advance from customer & Others	8.82	-	-	-	0.44	-
Loans and Advances (including Interest)	1,223.88	853.28	0.18	0.16	461.23	394.20
Advance against Share Application money	63.78	38.98	-	-	-	-
Debtors – Dr. Balance	74.71	0.58	-	-	28.98	36.56
Creditors – Dr. Balance	4.82	0.02	-	-	23.22	0.03
Cr. Balance	75.28	53.67	-	-	0.68	1.64

*Remuneration to Key Management Personnel does not include sitting fees paid during the year of Rs. 0.06 crores

Note: The above transactions do not include 433,525,000 fully paid-up bonus shares issued by Jindal Power Limited, a subsidiary company, in the previous financial year ended 31st March, 2010.



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

26. Disclosure as per clause 32 of the Listing Agreement.

Loans and Advances in the nature of Loans given to Subsidiaries, Associates and Others:

Name of the Company	Relationship	Amount outstanding		Maximum balance outstanding during the year
		As at 31st March, 2011	As at 31st March, 2010	
		(Rs. in Crores)		
Jindal Minerals & Metals Africa Limited	Subsidiary	64.29	58.37	64.29
Jindal Steel & Power (Mauritius) Limited	Subsidiary	1,016.06	727.03	1,016.06

Notes:

- All the above loans and advances are interest bearing.
- None of the loanees have, per se, made investments in shares of the company.

27. Financial and Derivative Instruments:

- Derivatives contracts entered into by the Company and outstanding as on 31st March, 2011, for hedging currency and interest rate related risks:

Nominal amounts of derivative contracts entered into by the Company and outstanding is Rs. 3,205.86 crores (Previous year Rs. 2,177.89 crores). Category wise break-up is given below:

	(Rs. in Crores)	
	Current Year	Previous Year
Interest rate Swaps	483.95 (USD equivalent 108.38 Million)	568.17 (USD 125.86 Million)
Options	93.76 (USD 21 Million)	148.96 (USD 33 Million)
Forward Contracts	2,628.15 (USD equivalent 570.39 Million)	1,460.76 (USD 315.05 Million)

- The principal component of foreign currency loans/debts not hedged by derivative instruments amount to Rs. 2,087.81 crores (Previous year Rs. 1,569.51 crores) which in respective currencies is as under:

	Current Year	Previous Year
US Dollars	142.85 Million	64.28 Million
Japanese Yen	20,810.18 Million	22,647.58 Million
Euro	51.51 Million	30.09 Million

- In accordance with the accounting policy on financial derivative instruments, during the year, the company has recognised mark to market losses of Rs. 21.62 crores (Previous year Rs. Nil being market to market gains).

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

28. Interest in Joint Ventures:

The Company's interest as a venturer, in jointly controlled entities (Incorporated Joint Ventures) is as under:

	Country of Incorporation	Percentage of ownership interest as at 31st March, 2011	Percentage of ownership interest as at 31st March, 2010
Jindal Synfuels Limited (formerly Jindal Coal to Liquid Limited)	India	70.00	70.00
Shresht Mining and Metals Private Limited	India	50.00	50.00
Urtan North Mining Company Limited	India	66.67	-

The Company's interests in the above Joint Ventures is reported as Long Term Investment (Schedule-6) and stated at cost. However, the Company's share of assets, liabilities, income and expenses, etc. (each without elimination of the effect of transactions between the Company and the joint ventures) related to its interest in the Joint Ventures are:

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
I. Assets		
1. Fixed Assets	-	-
2. Current Assets, Loans and Advances		
a) Cash and Bank Balances	1.56	0.12
II. Liabilities		
1. Unsecured Loans	0.79	0.49
2. Current Liabilities	0.15	0.00
III. Miscellaneous Expenditure	0.06	0.04
(To the extent not written off or adjusted)		

	For the period ended 31st March, 2011	For the period ended 31st March, 2010
IV. Income	-	-
V. Expenses		
Administrative and Other expenses (under pre-operative account)	9.54	0.48



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

29. Additional Information:

(Pursuant to Paragraphs 3 & 4 of part II of Schedule VI to the Companies Act, 1956)

a) Installed Capacity:

Sl. No.	Particulars	Unit	Current Year	Previous Year
AT RAIGARH				
1	Sponge Iron	M.T.	13,70,000	13,70,000
2	Mild Steel	M.T.	30,00,000	24,00,000
3	Ferro Alloys	M.T.	36,000	36,000
4	Power	MW	623	353
5	Hot Metal/Pig Iron	M.T.	16,70,000	15,00,000
6	Rail & Universal Beam Mill	M.T.	7,50,000	7,50,000
7	Plate Mill	M.T.	10,00,000	10,00,000
8	Fabricated Structures	M.T.	60,000	45,000
9	Cement Plant	M.T.	5,00,000	-
10	Medium & Light Section Mill	M.T.	6,00,000	-
AT RAIPUR				
11	Machinery and Castings	M.T.	11,500	11,500
12	Ingots	M.T.	30,000	30,000
13	CF Castings	M.T.	3,000	3,000
AT BARBIL				
14	Pelletization Plant	M.T.	45,00,000	45,00,000
AT SATARA (MAHARASHTRA)				
15	Wind Energy	MW	24	24
AT PATRATU				
16	Wire Rod	M.T.	6,00,000	6,00,000
17	Bar Mill	M.T.	10,00,000	-
AT ANGUL				
18	Power	MW	135	-

Note: Installed capacity is as certified by the management and relied upon by the auditors being a technical matter.

b) Raw Material Consumption:

Sl. No.	Particulars	Unit	(Rs. in Crores)			
			Current Year		Previous Year	
			Quantity (MT)	Amount	Quantity (MT)	Amount
1	Iron Ore	M.T.	5,868,716	767.98	4,680,896	643.44
2	Coking Coal	M.T.	1,188,208	1,157.98	1,021,581	1,000.83
3	Others	M.T.	-	804.39	-	581.44
			2,730.35		2,225.71	

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

c) Quantitative Information of Stock of Manufactured Finished Goods:

(Rs. in Crores)

Sl. No.	Particulars	Unit	Opening Stock As At 01.04.2009		Opening Stock As At 01.04.2010		Closing Stock As At 31.03.2011	
			Quantity	Amount	Quantity	Amount	Quantity	Amount
1	Sponge Iron	M.T.	5,366	2.67	4,078	2.20	10,929	9.06
2	M.S. Round	M.T.	3,406	6.93	6,005	11.42	34,488	79.05
3	H.C. Ferro Chrome/ Silico Manganese	M.T.	5,397	27.09	-	-	1,812	9.42
4	Hot Metal/Pig Iron	M.T.	3,448	5.01	2,795	3.90	33,064	55.64
5	Parallel Flange Beam/Columns	M.T.	32,703	84.68	61,592	150.04	43,728	111.01
6	Other Finished Steel Products	M.T.	28,695	72.82	15,309	36.01	16,611	45.40
7	Other Semi Steel Products	M.T.	96,901	195.41	59,807	112.15	70,788	158.03
8	Machineries	M.T.	891	8.94	767	6.80	685	5.16
9	Universal Plate/Coil	M.T.	50,629	153.94	60,963	141.87	58,242	144.60
10	Wire Rod	M.T.	-	-	4,153	12.66	27,451	85.60
11	Bars	M.T.	-	-	-	-	106	0.43
12	Fabricated Structures	M.T.	90	0.27	8,762	28.57	7,540	27.74
13	Cement	M.T.	-	-	-	-	3,861	1.15
14	Medium & Light Sections	M.T.	-	-	-	-	16,703	55.74
15	Iron Ore Pellets	M.T.	450	0.06	87,978	12.65	2,35,076	30.62
16	Others		-	12.50	-	42.16	-	53.85
				570.32		560.43		872.50



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

d) Production:

Sl. No.	Particulars	Unit	Current Year Quantity	Previous Year Quantity
1	Sponge Iron	M.T.	13,19,840	13,09,408
2	M.S. Round	M.T.	3,67,787	1,62,282
3	H.C. Ferro Chrome/Silico Manganese	M.T.	17,149	540
4	Power	Million KWH	3,420	2,942
5	Hot Metal/Pig Iron	M.T.	16,52,592	15,08,502
6	Parallel Flange Beam/Columns	M.T.	3,72,581	3,69,367
7	Universal Plate/Coil	M.T.	7,35,596	7,36,600
8	Other Finished Steel Products	M.T.	64,653	69,232
9	Other Semi Steel Products	M.T.	19,07,083	18,01,750
10	Machineries	M.T.	8,613	8,885
11	Wire Rod	M.T.	1,54,734	4,804
12	Bars	M.T.	128	-
13	Fabricated Structures	M.T.	56,094	34,580
14	Cement	M.T.	1,45,054	-
15	Medium & Light Sections	M.T.	31,411	-
16	Iron Ore Pellets	M.T.	27,87,285	2,26,818
17	Wind Energy	Million KWH	46	34

e) Items used for Internal/Captive Consumption during the year:

Sl. No.	Particulars	Unit	Current Year Quantity	Previous Year Quantity
1	Sponge Iron	M.T.	11,99,094	9,67,180
2	M.S. Round	M.T.	1,104	959
3	H.C. Ferro Chrome / Silico Manganese	M.T.	15,337	2,069
4	Power	Million KWH	2,489	1,954
5	Hot Metal / Pig Iron	M.T.	14,20,635	12,63,961
6	Parallel Flange Beam/Columns	M.T.	9,349	5,478
7	Other Semi Steel Products	M.T.	14,55,495	14,14,204
8	Universal Plate/Coil	M.T.	51,156	32,429
9	Other Finished Steel Products	M.T.	3,167	1,575
10	Fabricated Structures	M.T.	151	-
11	Cement	M.T.	15,268	-
12	Wire Rod	M.T.	63	-

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

f) Sales, Inter-divisional Transfers & Other Operations:

i) Sales:

		(Rs. in Crores)				
Sl. No.	Particulars	Unit	Current Year		Previous Year	
			Quantity	Amount	Quantity	Amount
I)	Manufactured Finished Goods					
1	Sponge Iron	M.T.	1,13,895	192.26	3,43,369	452.25
2	M.S. Round	M.T.	3,38,200	1,145.42	1,58,724	423.91
3	H.C. Ferro Chrome	M.T.	-	-	3,858	14.22
4	Power	Million KWH	931	213.33	945	216.56
5	Pig Iron	M.T.	2,01,688	477.85	2,45,193	474.13
6	Parallel Flange Beam/Columns	M.T.	3,79,570	1,426.10	3,34,804	1,142.30
7	Universal Plate/Coil	M.T.	6,81,221	2,505.48	6,93,526	2,177.07
8	Other Finished Steel Products	M.T.	60,113	226.64	81,041	284.89
9	Other Semi Steel Products	M.T.	2,63,059	843.01	4,22,276	1,063.41
10	Machineries	M.T.	6,715	98.78	8,274	103.05
11	Iron Ore/Iron Ore Fines	M.T.	15,30,684	879.06	15,72,941	537.59
12	Wire Rod	M.T.	1,31,309	470.56	121	0.37
13	Bar	M.T.	22	0.09	-	-
14	Fabricated Structures	M.T.	57,140	275.53	25,909	98.24
15	Cement	M.T.	1,22,015	42.42		
16	Medium & Light Sections	M.T.	14,688	49.68		
17	Iron Ore Pellets	M.T.	5,22,603	467.73	11,893	7.15
18	Wind Energy	Million KWH	46	17.90	33	11.56
18	Others		-	910.12		721.78
	TOTAL			10,241.96		7,728.48
II)	Traded Goods					
1	Power	Million KWH	560	165.22	607	159.07
2	Others		-	14.51		-
	TOTAL			179.73		159.07
	TOTAL SALES			10,421.69		7,887.55



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

ii) Inter-divisional Transfers:

(Rs. in Crores)						
Sl. No.	Particulars	Unit	Current Year		Previous Year	
			Quantity	Amount	Quantity	Amount
1	H.C. Ferro Chrome/Silico Manganese	M.T.	-	-	10	0.04
2	Power	Million KWH	-	-	42	5.81
3	Parallel Flange Beam/Columns	M.T.	1,526	4.10	197	0.37
4	Universal Plate/Coil	M.T.	5,940	17.70	311	0.60
5	Iron Ore/Iron Ore Fines	M.T.	39,45,937	348.44	58,03,406	439.72
6	Steam Coal	M.T.	52,25,734	237.29	44,12,975	197.15
7	Other Finished Steel Products	M.T.	71	0.18	2	0.00
8	Other Semi Steel Products	M.T.	1,77,548	470.75	2,363	6.35
9	Machineries	M.T.	1,980	39.50	736	17.63
10	Wire Rod	M.T.	64	0.20	-	-
11	Fabricated Materials	M.T.	25	0.21	-	-
12	Cement	M.T.	3,910	1.42	-	-
13	Medium & Light Sections	M.T.	20	0.05	-	-
14	Iron Ore Pellets	M.T.	21,17,584	566.14	1,27,397	25.34
15	Others	M.T.	-	12.32	-	7.08
TOTAL			1,698.30		700.09	

iii) Other Operations:

(Rs. in Crores)			
Sl. No.	Particulars	Current Year Amount	Previous Year Amount
1	Job Charges	19.70	0.07
2	Export Benefits Received	19.04	7.96
TOTAL		38.74	8.03
TOTAL (i + ii + iii)		12,158.73	8,595.67

Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

g) Sales include goods issued for Projects/Captive (during Trial Run period):

(Rs. in Crores)

Sl. No.	Particulars	Unit	Current Year		Previous Year	
			Quantity	Amount	Quantity	Amount
1	M.S. Round	M.T.	3	0.01	-	-
2	Power	Million KWH	5	0.86	-	-
3	Parallel Flange Beam/Columns	M.T.	42,155	115.27	29,591	68.57
4	Plate/Coil	M.T.	58,971	185.88	60,097	132.08
5	Other Semi Steel Products (Trial Period)	M.T.	-	-	530	1.59
6	Other Finished Steel Products	M.T.	8,246	23.40	7,339	14.61
7	Other Semi Steel Products	M.T.	11	0.02	3,743	9.26
8	Fabricated Structures	M.T.	12,274	49.12	14,652	43.85
9	Cement	M.T.	1,14,178	39.10	-	-
10	Medium & Light Sections	M.T.	8,871	26.20	-	-
11	Machineries	M.T.	6,006	85.63	1,375	5.71
12	Others		-	187.79	-	186.61
TOTAL				713.28		462.28

h) C.I.F. Value of Imports:

(Rs. in Crores)

Sl. No.	Particulars	Current Year Amount	Previous Year Amount
1	Raw Material & Fuel	1,871.57	1,112.94
2	Components & Spare Parts	196.96	199.81
3	Capital Goods & Others	1,262.94	1,813.24
TOTAL		3,331.47	3,125.99



Schedules forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

- i) Break up of consumption of Raw Materials and Stores & Spares into Imported and Indigenous:

(Rs. in Crores)

Sl. No.	Particulars	Current Year		Previous Year	
		Amount	%	Amount	%
a)	Raw Materials				
i)	Imported (including purchased through canalizing agencies, High Sea Sales & others)	1,094.73	40.09	1,029.02	46.23
ii)	Indigenous	1,635.62	59.91	1,196.69	53.77
		2,730.35	100.00	2,225.71	100.00
b)	Stores and Spares				
i)	Imported (including purchased through canalizing agencies, High Sea Sales & others)	244.51	21.53	197.52	24.29
ii)	Indigenous	890.94	78.47	615.49	75.71
		1,135.45	100.00	813.01	100.00
c)	Coke and Coal				
i)	Imported (including purchased through canalizing agencies, High Sea Sales & others)	296.16	98.56	173.10	77.90
ii)	Indigenous	4.32	1.44	49.12	22.10
		300.48	100.00	222.22	100.00

- j) Expenditure in Foreign Currency (As Remitted):

(Rs. in Crores)

Sl. No.	Particulars	Current Year Amount	Previous Year Amount
1	Travelling	2.48	0.97
2	Interest & Arrangement Charges	67.82	65.51
3	Dividend	0.02	0.03
4	Technical Knowhow Fees	36.64	18.89
5.	Others	71.28	63.08
	TOTAL	178.24	148.48

- k) Earnings in Foreign Currency:

(Rs. in Crores)

Sl. No.	Earnings In Foreign Currency	Current Year Amount	Previous Year Amount
1	FOB Value of Export Sales	1,073.61	410.41
2	Others	-	-
	TOTAL	1,073.61	410.41

30. Previous year figures have been regrouped and/or rearranged wherever considered necessary to facilitate comparison with current year figures.

Balance Sheet Abstract and Company's General Business Profile Pursuant to Part IV of Schedule VI to the Companies Act, 1956

I. Registration Details

Registration no./CIN No. State Code

Balance Sheet Date
Date Month Year

II. Capital Raised during the year (Amount in Rupees thousands)

Public Issue Right Issue

Bonus Issue Private Placement

III. Position of Mobilisation and Deployment of Funds (Amount in Rupees thousands)

Total Liabilities Total Assets

Sources of Funds

Paid-up Capital Reserves & Surplus

Secured Loans Unsecured Loans

Other Liabilities

Application of Funds

Net Fixed Assets Investments

Net Current Assets Misc. Expenditure

Accumulated Losses

IV. Performance of Company (Amount in Rupees thousands)

Turnover (Total Income) Total Expenditure

+ - Profit Before Tax + - Profit After Tax

(Please tick appropriate box + for Profit and - for Loss)

Earning per Share in Rupees Dividend Rate %

V. Generic Names of Three Principal Products/Services of Company (As per monetary terms)

Item Code no. (ITC Code)

Production Description SPONGE IRON

Item Code no. (ITC Code)

Production Description POWER

Item Code no. (ITC Code)

Production Description MILD STEEL

In terms of our report of even date

For and on behalf of the Board

For S.S. Kothari Mehta & Co.
Chartered Accountants

Arun K. Tulsian
Partner
Membership No. 89907

Naveen Jindal
Executive Vice Chairman
& Managing Director

Anand Goel
Joint Managing Director

Sushil K Maroo
Director

Place : New Delhi
Date : 21st April, 2011

T.K. Sadhu
Company Secretary



Statement pursuant to exemption under Section 212(8) of Companies Act, 1956 relating to Subsidiary Companies

S.No	Name of the subsidiary companies	Currency	Issued & Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investments		Total	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend
							Long Term	Current						
1	Jindal Power Limited	INR in Crores	1,348.80	5,119.79	7,622.43	7,622.43	-	25.33	25.33	3,337.73	2,496.51	494.71	2,001.80	121.39
2	Jindal Hydro Power Ltd.	INR in Crores	0.05	-	0.05	0.05	-	-	-	-	-	-	-	-
3	Jindal Power Transmission Limited	INR in Crores	0.05	-	0.05	0.05	-	-	-	-	-	-	-	-
4	Jindal Power Distribution Limited	INR in Crores	0.05	-	0.05	0.05	-	-	-	-	-	-	-	-
5	Attunli Hydro Electric Power Company Limited	INR in Crores	1.00	-	17.08	17.08	-	-	-	-	-	-	-	-
6	Etalin Hydro Electric Power Company Limited	INR in Crores	1.00	-	262.68	262.68	-	-	-	-	-	-	-	-
7	Jindal Power Trading Company Limited	INR in Crores	7.60	0.52	8.40	8.40	-	-	0.00	0.51	0.29	0.09	0.20	-
8	Subansiri Hydro Electric Power Co. Limited	INR in Crores	1.00	-	192.86	192.86	-	-	-	-	-	-	-	-
9	Urtan North Mining Company Limited	INR in Crores	1.00	-	8.59	8.59	-	-	-	-	-	-	-	-
10	Jindal Synfuels Limited	INR in Crores	9.00	-	66.07	66.07	-	-	-	-	-	-	-	-
11	Jindal Infosolutions Private Limited	INR in Crores	0.10	(0.21)	0.31	0.31	-	-	-	-	-	-	-	-
12	Jindal Minerals & Metals Africa Limited	US\$ in Million	0.00	2.61	19.90	19.90	0.10	-	0.10	-	(1.20)	-	(1.20)	-
		INR in Crores	0.00	11.66	88.88	88.88	0.45	-	0.45	-	(5.34)	-	(5.34)	-
13	Jindal Minerals & Metals Africa Congo SPRL	US\$ in Million	0.10	(3.60)	16.86	16.86	-	-	-	-	(2.90)	0.00	(2.90)	-
		INR in Crores	0.45	(16.05)	75.30	75.30	-	-	-	-	(12.96)	0.01	(12.97)	-
14	Jindal Steel & Power (Mauritius) Limited	US\$ in Million	19.15	31.64	753.35	753.35	12.39	18.42	30.81	-	(17.40)	-	(17.40)	-
		INR in Crores	85.50	141.28	3,363.73	3,363.73	55.32	82.25	137.57	-	(77.68)	-	(77.68)	-
15	Trans Atlantic Trading Limited	US\$ in Million	0.00	1.40	6.48	6.48	-	-	-	0.84	0.37	-	0.37	-
		INR in Crores	0.00	6.25	28.95	28.95	-	-	-	3.77	1.65	-	1.65	-
16	PT Jindal Overseas	IDR in Million	879.10	(10,948.76)	15,613.92	15,613.92	-	-	-	-	(4,133.59)	-	(4,133.59)	-
		INR in Crores	0.45	(5.64)	8.04	8.04	-	-	-	-	(2.13)	-	(2.13)	-
17	Vision Overseas Limited	US\$ in Million	0.00	(0.01)	3.04	3.04	-	-	-	-	(0.00)	-	(0.00)	-
		INR in Crores	0.00	(0.04)	13.58	13.58	-	-	-	-	(0.00)	-	(0.00)	-
18	Jubilant Overseas Limited	US\$ in Million	0.00	(0.01)	3.04	3.04	-	-	-	-	(0.00)	-	(0.00)	-
		INR in Crores	0.00	(0.04)	13.58	13.58	-	-	-	-	(0.00)	-	(0.00)	-
19	Affiliate Overseas Limited	US\$ in Million	0.00	(0.01)	0.04	0.04	-	-	-	-	(0.00)	-	(0.00)	-
		INR in Crores	0.00	(0.04)	0.18	0.18	-	-	-	-	(0.00)	-	(0.00)	-
20	Skyhigh Overseas Limited	US\$ in Million	0.00	(0.01)	0.04	0.04	-	-	-	-	(0.00)	-	(0.00)	-
		INR in Crores	0.00	(0.04)	0.19	0.19	-	-	-	-	(0.00)	-	(0.00)	-
21	Harmony Overseas Limited	US\$ in Million	0.00	(0.01)	2.59	2.59	-	-	-	-	(0.00)	-	(0.00)	-
		INR in Crores	0.00	(0.04)	11.57	11.57	-	-	-	-	(0.01)	-	(0.01)	-
22	Worth Overseas Limited	US\$ in Million	4.50	(0.01)	21.96	21.96	4.90	-	4.90	-	(0.00)	-	(0.00)	-
		INR in Crores	20.09	(0.06)	98.05	98.05	21.88	-	21.88	-	(0.01)	-	(0.01)	-
23	Jindal Steel Bolivia SA	BOB in Million	320.22	(27.26)	356.21	356.21	0.00	-	0.00	-	(27.00)	-	(27.00)	-
		INR in Crores	204.26	(17.39)	227.21	227.21	0.00	-	0.00	-	(17.23)	-	(17.23)	-
24	Gas to Liquid International SA	BOB in Million	3.80	1.62	126.04	126.04	0.02	-	0.02	-	-	-	-	-
		INR in Crores	2.42	1.03	80.39	80.39	0.01	-	0.01	-	-	-	-	-
25	Jindal Power LLC	MNT in Million	424.10	(93.89)	342.16	342.16	-	-	-	-	(47.02)	-	(47.02)	-
		INR in Crores	1.59	(0.35)	1.29	1.29	-	-	-	-	(0.18)	-	(0.18)	-
26	Rolling hills Resources LLC	MNT in Million	2,260.40	(557.05)	3,110.05	3,110.05	-	-	-	-	(90.74)	-	(90.74)	-
		INR in Crores	8.50	(2.09)	11.69	11.69	-	-	-	-	(0.34)	-	(0.34)	-
27	Jindal Mining Industry LLC	MNT in Million	281.19	(33.22)	242.72	242.72	-	-	-	-	(33.22)	-	(33.22)	-
		INR in Crores	1.06	(0.12)	0.91	0.91	-	-	-	-	(0.12)	-	(0.12)	-
28	JSPIL Mozambique Minerals LDA	MZN in Million	0.02	(63.26)	307.25	307.25	0.03	-	0.03	-	(35.58)	-	(35.58)	-
		INR in Crores	0.00	(9.23)	44.83	44.83	0.00	-	0.00	-	(5.19)	-	(5.19)	-
29	Enduring Overseas Limited	US\$ in Million	0.05	(2.29)	13.45	13.45	-	-	-	-	(0.93)	-	(0.93)	-
		INR in Crores	0.22	(10.20)	60.05	60.05	-	-	-	-	(4.15)	-	(4.15)	-
30	Jindal Mining & Exploration Limited	US\$ in Million	0.00	0.44	23.44	23.44	11.71	-	11.71	-	0.10	-	0.10	-
		INR in Crores	0.00	1.95	104.64	104.64	52.28	-	52.28	-	0.46	-	0.46	-
31	Jindal Investment Holdings Limited	US\$ in Million	0.00	(0.01)	1.33	1.33	-	-	-	-	0.00	-	0.00	-
		INR in Crores	0.00	(0.04)	5.92	5.92	-	-	-	-	0.01	-	0.01	-
32	Jindal Africa Investments (Pty) Ltd	ZAR in Million	0.00	3.48	20.21	20.21	-	-	-	0.30	0.07	0.02	0.05	-
		INR in Crores	0.00	2.28	13.29	13.29	-	-	-	0.20	0.04	0.01	0.03	-
33	Osho Madagascar SARL	MGA in Million	3.00	(579.84)	2,993.79	2,993.79	-	-	-	-	887.19	11.81	875.39	-
		INR in Crores	0.01	(1.31)	6.76	6.76	-	-	-	-	2.00	0.03	1.98	-
34	Jindal DRC SPRL	US\$ in Million	0.05	2.28	11.19	11.19	0.50	-	0.50	-	(0.69)	0.00	(0.69)	-
		INR in Crores	0.22	10.19	49.98	49.98	2.23	-	2.23	-	(3.07)	0.01	(3.08)	-
35	Jindal Madagascar SARL	MGA in Million	3.00	(182.92)	190.12	190.12	-	-	-	-	107.25	5.82	101.43	-
		INR in Crores	0.01	(0.41)	0.43	0.43	-	-	-	-	0.24	0.01	0.23	-
36	Jindal Investimentos Limitada	MZN in Million	0.02	-	1.91	1.91	-	-	-	-	0.36	-	0.36	-
		INR in Crores	0.00	-	0.28	0.28	-	-	-	-	0.05	-	0.05	-
37	Belde Empreendimentos Mineiros Ltd.	MZN in Million	0.03	-	0.59	0.59	-	-	-	-	-	-	-	-
		INR in Crores	0.00	-	0.09	0.09	-	-	-	-	-	-	-	-
38	Kasai Sud Diamant SPRL	US\$ in Million	1.43	(5.85)	3.78	3.78	-	-	-	3.78	(3.63)	0.00	(3.64)	-
		INR in Crores	6.38	(26.12)	16.87	16.87	-	-	-	16.88	(16.22)	0.01	(16.23)	-
39	Eastern Solid Fuels Pty. Ltd.	ZAR in Million	0.02	(20.71)	214.29	214.29	0.96	-	0.96	-	0.33	0.09	0.24	-
		INR in Crores	0.01	(13.62)	140.85	140.85	0.63	-	0.63	-	0.22	0.06	0.16	-
40	Jindal Mining SA (PTY) Ltd.	ZAR in Million	0.00	9.31	216.40	216.40	-	-	-	290.59	2.75	-	2.75	-
		INR in Crores	0.00	6.12	142.24	142.24	-	-	-	191.01	1.81	-	1.81	-
41	Jindal Brasil Mineracao SA.	BRL in Million	0.00	-	0.00	0.00	-	-	-	-	-	-	-	-
		INR in Crores	0.00	-	0.00	0.00	-	-	-	-	-	-	-	-
42	Shadeed Iron & Steel Co. LLC	US\$ in Million	2.60	(44.16)	564.87	564.87	-	-	-	77.45	3.61	-	3.61	-
		INR in Crores	11.60	(197.19)	2,522.13	2,522.13	-	-	-	345.81	16.11	-	16.11	-
43	Jindal Steel & Power (Australia) Pty Limited	AUS\$ in Million	0.00	(0.13)	0.13	0.13	-	-	-	-	(0.13)	-	(0.13)	-
		INR in Crores	0.00	(0.60)	0.60	0.60	-	-	-	-	(0.60)	-	(0.60)	-
44	Jindal Steel & Power Zimbabwe Limited	US\$ in Million	0.00	(1.27)	0.06	0.06	-	-	-	-	(1.27)	-	(1.27)	-
		INR in Crores	0.01	(5.69)	0.28	0.28	-	-	-	-	(5.69)	-	(5.69)	-

*Exchange Rate as on 31.03.2011: US\$1=Rs.44.65 IDR 1=Rs.0.00515 BOB 1=Rs.6.37857 MNT 1=Rs.0.037584 MZN 1=Rs.1.45915 ZAR 1=Rs.6.57302 MGA 1=Rs.0.02257 AUD 1=Rs.46.03757 BRL 1=Rs.27.5074

Auditors' Report

The Consolidated Financial Statements

To The Board of Directors of Jindal Steel & Power Limited on

1. We have audited the attached Consolidated Balance Sheet of JINDAL STEEL & POWER LIMITED, and its subsidiaries, associates and joint ventures (collectively referred to as "the Group") as at 31st March, 2011, and also the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The financial statements of one associate company and one joint venture have been audited by us in which the share of profit of the group is Rs. 15.78 crores. Investment in associate company has been reported in accordance with Accounting Standard (AS)-23 and in joint venture in accordance with Accounting Standard (AS)-27.
4. (a) We did not audit the financial statements of subsidiaries, whose financial statements reflect total assets (net) of Rs. 10273.03 crores as at 31st March, 2011, total revenue of Rs. 4114.36 crores and net cash flows amounting to Rs. 348.50 crores for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the report of the other auditors in so far as it relates to the amounts included in respect of the subsidiaries.
 - (b) In the case of certain subsidiaries of the Company, having total assets (net) of Rs. 1295.88 crores as at 31st March, 2011, total revenue of Rs. 34.11 crores and net cash flows amounting to Rs. 27.45 crores for the year then ended, the figures used for the consolidation are based on the management's estimate and are, therefore unaudited.
5. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS)-21, 'Consolidated Financial Statements', Accounting Standard (AS)-23 'Accounting for Investments in Associates in Consolidated Financial Statements' and Accounting Standard (AS)-27, 'Financial Reporting of Interests in Joint Ventures' notified by the Companies (Accounting Standards) Rules, 2006, (as amended) and on the basis of the separate financial statements of the subsidiaries, associates and joint ventures included in the Consolidated Financial Statements.
6. Attention is invited to note no. B.6 of Schedule 20 regarding accounting for sales tax included in the sales price of products sold out of sales tax exempted unit under Sales tax Subsidy reserve account in the circumstances as explained in the said note.
7. Based on our audit and on consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements together with the notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2011;
 - (b) in the case of the Consolidated Profit & Loss Account, of the consolidated results of operations of the Group for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

For **S. S. KOTHARI MEHTA & CO.**
Chartered Accountants
Registration No. 000756N

(ARUN K. TULSIAN)

Partner

Place: New Delhi
Dated: 21st April, 2011

Membership No. 89907



Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Crores)

	Schedule	As at 31st March, 2011	As at 31st March, 2010
SOURCES OF FUNDS			
Shareholders Fund			
Share Capital	1	93.43	93.12
Reserves and Surplus	2	14,015.08	10,301.32
Employees' Stock Options Outstanding		1.80	22.67
Less: Deferred employee compensation expenditure (Refer note B.8 of Schedule 20)		(0.01)	(0.33)
		1.79	22.34
		14,110.30	10,416.78
Minority Interest		233.45	165.91
Loan Funds			
Secured	3	5,548.86	5,329.81
Unsecured	4	8,427.73	3,274.48
		13,976.59	8,604.29
Deferred Tax Liability (Net)	20	1,005.48	845.47
TOTAL		29,325.82	20,032.45
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	19,275.63	13,162.51
Less: Depreciation		(4,432.12)	(3,265.08)
		14,843.51	9,897.43
Add: Capital work in progress (including pre-operative expenses pending allocation/capitalisation and capital goods lying in stores)		10,040.87	7,946.97
		24,884.38	17,844.40
Investments	6	297.88	318.47
Goodwill on Consolidation		101.77	100.66
Current Assets, Loans And Advances			
Inventories	7	2,773.43	1,430.82
Sundry Debtors	8	1,153.70	753.32
Cash and Bank balances	9	480.21	112.77
Loans and Advances	10	6,378.95	4,554.13
		10,786.29	6,851.04
Less: Current Liabilities and Provisions			
Liabilities	11	3,658.65	3,037.74
Provisions	12	3,106.26	2,052.22
		6,764.91	5,089.96
Net Current Assets		4,021.38	1,761.08
Miscellaneous Expenditure			
(To the extent not written off or adjusted)	13	20.41	7.84
TOTAL		29,325.82	20,032.45
Significant Accounting Policies & Notes to Accounts	20		

The accompanying schedules 1 to 20 form an integral part of these accounts

In terms of our report of even date

For and on behalf of the Board

For S.S. Kothari Mehta & Co.
Chartered Accountants

Arun K. Tulsian
Partner
Membership No. 89907

Naveen Jindal
Executive Vice Chairman
& Managing Director

Anand Goel
Joint Managing Director

Sushil K Maroo
Director

Place : New Delhi
Date : 21st April, 2011

T.K. Sadhu
Company Secretary

Consolidated Profit & Loss Account for the year ended 31st March, 2011

(Rs. in Crores)

	Schedule	For the year ended 31st March, 2011	For the year ended 31st March, 2010
INCOME			
Sales and Operational Income	14	15,696.70	12,319.62
Less: Inter Division Transfer		1,698.30	700.09
Less: Excise Duty		886.80	527.99
Net Sales and Operational Income		13,111.60	11,091.54
Other Income	15	82.00	60.28
TOTAL		13,193.60	11,151.82
EXPENDITURE			
Material, Manufacturing and Others	16	6,775.86	4,897.33
Less: Inter Division Transfer		1,698.30	700.09
		5,077.56	4,197.24
Personnel	17	414.92	272.87
Administration, Selling and Others	18	1,287.56	770.13
Interest	19	259.57	357.58
Miscellaneous Expenditure written off		14.97	3.59
Depreciation	5	1,151.00	996.96
TOTAL		8,205.58	6,598.37
PROFIT BEFORE TAXATION		4,988.02	4,553.45
LESS: Provision for taxation			
(a) Income tax		1,022.66	790.09
(b) Deferred tax		160.01	128.44
(c) Wealth tax		0.97	0.32
(d) Fringe Benefits tax of earlier year		0.37	0.04
PROFIT AFTER TAXATION		3,804.01	3,634.56
ADD: SHARE IN PROFIT OF ASSOCIATES		15.78	13.86
ADD/(LESS): MINORITY INTEREST		(65.91)	(75.45)
NET PROFIT AFTER TAXATION AND MINORITY INTEREST		3,753.88	3,572.97
ADD/(LESS)			
Surplus / (Loss) brought forward		8,660.50	5,912.31
Accumulated Profit/(Loss) on disposal of subsidiaries		1.19	0.15
Minority Interest on dilution of Equity Shareholding in subsidiaries		-	(52.45)
Capital Reserve on Consolidation		-	(433.62)
PROFIT AVAILABLE FOR APPROPRIATION		12,415.57	8,999.36
Interim Dividend on Equity Shares - By Subsidiary		4.29	3.38
Corporate Tax on Interim Dividend - By Subsidiary (Refer note B.23 of Schedule 20)		19.69	15.68
Proposed Dividend on Equity Shares (Refer note B.22 of Schedule 20)		140.19	116.52
Corporate Tax on Proposed Dividend (Refer note B.23 of Schedule 20)		3.75	4.28
General Reserve		211.65	150.00
Debenture Redemption Reserve		77.00	49.00
Balance carried to Balance Sheet		11,959.00	8,660.50
		12,415.57	8,999.36
Basic Earning per share (in Rs.) (Refer note B.24 of Schedule 20)		40.22	38.39
Diluted Earning per share (in Rs.) (Refer note B.24 of Schedule 20)		40.18	38.10
Significant Accounting Policies & Notes to Accounts	20		

The accompanying schedules 1 to 20 form an integral part of these accounts

In terms of our report of even date

For and on behalf of the Board

For S.S. Kothari Mehta & Co.
Chartered Accountants

Arun K. Tulsian
Partner
Membership No. 89907

Naveen Jindal
Executive Vice Chairman
& Managing Director

Anand Goel
Joint Managing Director

Sushil K Maroo
Director

Place : New Delhi
Date : 21st April, 2011

T.K. Sadhu
Company Secretary



Consolidated Cash Flow Statement for the year ended 31st March, 2011

(Rs. in Crores)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
A. CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	4,988.02	4,553.45
Adjustment for:		
Depreciation	1,151.00	1,043.02
Premium on Investment written off	0.07	0.19
Loss / (Profit) on Sale of Fixed Assets	3.35	(1.52)
Loss / (Profit) on Sale of Investments	(6.69)	(10.48)
Dividend Income	-	(0.86)
Liability / Provisions no longer required written back	(2.59)	(3.17)
Provision for doubtful debts	(0.63)	(0.79)
Provision for doubtful advances	-	0.69
Miscellaneous expenditure written off during the year	14.97	3.59
Employees Compensation Expenses under Employees Stock Option Scheme	(4.87)	(4.85)
Interest Paid	259.57	357.58
Operating Profit before Working Capital Changes	6,402.20	5,936.85
Adjustment for:		
Inventories	(1,342.61)	(190.55)
Sundry Debtors	(399.70)	(178.41)
Other Current Assets	(213.21)	(74.88)
Income Tax paid	(1,040.06)	(762.97)
Other Current Liabilities	625.49	844.82
Net Cash Inflow/(Outflow) from Operating Activities	4,032.11	5,574.86
B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES		
Capital Expenditure	(8,487.59)	(6,513.08)
Sale Proceeds of Fixed Assets	380.69	271.17
Dividend received	-	0.86
Loans & Advances	(549.89)	(161.87)
Miscellaneous Expenditure	(27.54)	(8.29)
Interest Received	76.76	93.26
(Increase)/Decrease in Investments	27.29	205.68
Share Application Money given	(4.78)	(44.70)
Purchase of Goodwill	(1.11)	(64.34)
Minority Interest	-	(5.56)
Net Cash Inflow/(Outflow) from Investing Activities	(8,586.17)	(6,226.87)
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		
State Sales Tax Subsidy/Capital Reserve	115.80	48.25
Issue of Equity Shares	11.32	44.09
Proceeds from Long Term Borrowings	10,778.52	3,700.29
Working Capital Borrowings from Banks	1,049.92	658.64
Repayment/Adjustment of Borrowings	(6,290.22)	(3,717.71)
Dividend Paid (including tax thereon)	(136.65)	(95.60)
Interest Paid	(607.17)	(542.54)
Net Cash Inflow/(Outflow) from Financing Activities	4,921.52	95.42
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	367.46	(556.59)
Cash & Cash equivalents (Opening Balance)	112.77	669.36
Cash & Cash equivalents (Closing Balance)	480.21	112.77

Note:

The figures have been regrouped/rearranged, wherever necessary, for comparison purposes

In terms of our of even date

For and on behalf of the Board

For S.S. Kothari Mehta & Co.
Chartered Accountants

Arun K. Tulsian
Partner
Membership No. 89907

Naveen Jindal
Executive Vice Chairman
& Managing Director

Anand Goel
Joint Managing Director

Sushil K Maroo
Director

Place : New Delhi
Date : 21st April, 2011

T.K. Sadhu
Company Secretary

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 1		
Share Capital		
AUTHORISED		
2,00,00,00,000 (Previous year 2,00,00,00,000) Equity Shares of Re. 1 each	200.00	200.00
	200.00	200.00
ISSUED, SUBSCRIBED AND PAID UP		
EQUITY SHARES		
93,42,69,031 (Previous year 93,12,34,082) Equity Shares of Re. 1 each fully paid up	93.43	93.12
TOTAL	93.43	93.12

Notes :

- (A) 12,61,22,840 (Previous year 12,61,22,840) Equity shares of Re. 1 each have been allotted as fully paid up to the erstwhile shareholders of Jindal Strips Limited pursuant to the Scheme of Arrangement sanctioned by the Hon'ble High Court of Punjab & Haryana.
- (B) 30,34,949 (Previous year 9,29,869) Equity Shares of Re. 1 each have been allotted as fully paid up to the employees (including those of subsidiary company) under the Employees Stock Option Scheme. (Refer note B.8 of Schedule 20)
- (C) 77,56,51,530 shares of face value of Re. 1 per share were allotted as fully paid bonus shares by utilisation of Rs. 77,56,51,530 from Securities Premium Account during the earlier year.

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 2		
Reserves and Surplus		
(A) SECURITIES PREMIUM		
As per last account	98.32	157.32
Add: Addition during the year	25.11	18.57
Less: Utilised for issue of bonus shares	-	(77.57)
	123.43	98.32
(B) GENERAL RESERVE		
As per last account	750.28	599.28
Add: Transfer from Profit & Loss Account	211.65	150.00
Add: Transfer from share forfeited Account	-	1.00
Add: Transfer from Central/State Subsidy Reserve	0.12	-
	962.05	750.28
(C) DEBENTURE REDEMPTION RESERVE		
As per last account	74.00	25.00
Add: Transfer from Profit & Loss Account	77.00	49.00
	151.00	74.00
(D) CAPITAL REDEMPTION RESERVE		
As per last account	70.00	70.00
	70.00	70.00
(E) CENTRAL/STATE SUBSIDY RESERVE		
As per last account	0.24	0.24
Less: Transferred to General Reserve	(0.12)	-
	0.12	0.24
(F) SALES TAX SUBSIDY/CAPITAL RESERVE (Refer note B.3 of Schedule 20)		
As per last account	183.35	133.77
Add: During the year	115.80	49.58
	299.15	183.35



Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 2		
(G) CAPITAL RESERVE ON CONSOLIDATION		
As per last account	433.62	-
Add: During the year	-	433.62
	433.62	433.62
(H) REVALUATION RESERVE		
As per last account	(0.01)	-
Add: During the year	-	(0.01)
	(0.01)	(0.01)
(I) FOREIGN CURRENCY TRANSLATION RESERVE		
As per last account	31.02	109.90
Add: During the year	(14.30)	-
Less: During the year	-	(78.88)
	16.72	31.02
(J) SURPLUS IN PROFIT AND LOSS ACCOUNT	11,959.00	8,660.50
	14,015.08	10,301.32

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 3		
Secured Loans		
(A) DEBENTURES		
i) 9.80% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with Life Insurance Corporation of India)	1,000.00	1,000.00
ii) 9.80% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with Life Insurance Corporation of India)	500.00	500.00
iii) 9.80% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with SBI Life Insurance Company Limited)	62.00	62.00
iv) 8.50% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with ICICI Lombard General Insurance Company Limited)	25.00	25.00
v) 8.50% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with ICICI Prudential Life Insurance Company Limited)	75.00	75.00
vi) 6.75% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each (Privately placed with LIC Mutual Fund Asset Management Company Limited)	100.00	100.00
	1,762.00	1,762.00
(B) TERM LOANS		
Loans and advances from Banks & Others	3,631.27	3,311.02
(C) OTHERS	-	5.45
(D) WORKING CAPITAL BORROWINGS FROM BANKS	155.59	251.34
TOTAL	5,548.86	5,329.81

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

Notes :

(A) DEBENTURES

- i) Debentures placed with Life Insurance Corporation of India on private placement basis are redeemable at par in 2 equal annual instalments at the end of 9.5 and 10.5 years from the date of respective allotments i.e. Rs. 100 crores (12.10.2009), Rs. 150 crores (22.10.2009), Rs. 150 crores (24.11.2009), Rs. 150 crores (24.12.2009), Rs. 150 crores (25.01.2010), Rs. 150 crores (19.02.2010) and Rs. 150 crores (26.03.2010). The debentures are secured on pari-passu charge basis by way of mortgage of immovable properties and hypothecation of movable fixed assets created/to be created on the 6x135 MW Power Plant Project at Angul, Orissa in favour of the Debenture Trustees.
- ii) Debentures placed with Life Insurance Corporation of India on private placement basis are redeemable at par in 2 equal annual instalments at the end of 9.5 and 10.5 years from the date of respective allotments i.e. Rs. 100 crores (24.08.2009), Rs. 80 crores (08.09.2009), Rs. 80 crores (08.10.2009), Rs. 80 crores (09.11.2009), Rs. 80 crores (08.12.2009) and Rs. 80 crores (08.01.2010). The debentures are secured on pari-passu charge basis by way of mortgage of immovable properties and hypothecation of movable fixed assets of the Company in favour of the Debenture Trustees.
- iii) Debentures placed with SBI Life Insurance Company Limited on private placement basis are redeemable at par in 5 equal annual instalments commencing from the end of 8 years from the date of allotment i.e. 29.12.2009. The debentures are secured on pari passu basis by way of mortgage of immovable properties and hypothecation of movable assets created/to be created on the 6x135 MW Power Plant Project at Angul, Orissa in favour of the Debenture Trustees.
- iv) Debentures placed with ICICI Lombard General Insurance Company Limited on private placement basis are redeemable at par at the end of 5 years from the date of allotment i.e. 03.12.2009. The debentures are secured on pari-passu basis by way of mortgage of immovable properties and hypothecation of movable fixed assets of the Company in favour of the Debenture Trustees.
- v) Debentures placed with ICICI Prudential Life Insurance Company Limited on private placement basis are redeemable at par at the end of 5 years from the date of allotment i.e. 03.12.2009. The debentures are secured on pari-passu basis by way of mortgage of immovable properties and hypothecation of movable fixed assets of the Company in favour of the Debenture Trustees.
- vi) Debentures placed with LIC Mutual Fund Asset Management Company Limited on private placement basis are redeemable at par at the end of 23 months from the date of allotment i.e. 22.01.2010. The debentures are secured on pari-passu basis by way of mortgage of immovable properties and hypothecation of movable fixed assets of the Company in favour of the Debenture Trustees.

(B) TERM LOANS

Loans and Advances from Banks & Others (In Holding Company)

- i) Loans of Rs. 255.11 crores (Previous year Rs. 379.08 crores) are secured by exclusive charge on fixed assets created under Steel expansion project at Raigarh, Chhattisgarh;
- ii) Loans of Rs. 196.87 crores (Previous year Rs. 287.27 crores) are secured by exclusive charge on fixed assets created under Plate Mill project at Raigarh, Chhattisgarh;
- iii) Loans of Rs. 111.43 crores (Previous year Rs. 145.71 crores) are secured by exclusive charge on fixed assets created under 3x25 MW Power Plant at Raigarh, Chhattisgarh;
- iv) Loans of Rs. 454.99 crores (Previous year Rs. 349.91 crores) are secured by exclusive charge on fixed assets created/to be created under the DRI project at Angul, Orissa;
- v) Loans of Rs. 788.97 crores (Previous year Rs. 414.46 crores) are secured by exclusive charge on fixed assets created under 2X135 MW Power Plant (Phase - 1) at Dongamauha, Raigarh, Chhattisgarh;
- vi) Loans of Rs. 140.55 crores (Previous year Rs. 67 crores) are secured by exclusive charge on fixed assets created/to be created under 2X135 MW Power Plant (Phase - 2) at Dongamauha, Raigarh, Chhattisgarh;



Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

- vii) Loans of Rs. 1,054.97 crores (Previous year Rs. 20 crores) are secured by exclusive charge on fixed assets created/ to be created under 1.6 MTPA Integrated Steel Plant and 1.5 MTPA Plate Mill project at Angul, Orissa;
- viii) Loans of Rs. 100.00 crores (Previous year Rs. Nil) are secured/to be secured by exclusive charge on fixed assets created/to be created under 6x135 MW Power Plant Project at Angul, Orissa;
- ix) Loan of Rs. 510.46 crores (Previous year Rs. 534.79 crores) are secured by subservient charge on current assets of the Company;
- x) Loans of Rs. Nil (Previous year Rs. 18.14 crores) were secured by first pari - passu charge in favour of Banks by way of mortgage of the Company's immovable properties and hypothecation of fixed assets; out of which loans of Rs. Nil (Previous year Rs. 4.08 crores) were also secured by a personal guarantee given by a Director of the Company.
- xi) In Jindal Power Limited, a subsidiary company, loans of Rs. Nil (Previous year Rs. 1,065.26 crores), which are secured/to be secured by way of first pari passu mortgage/charge on all the fixed assets (tangible and intangible), uncalled capital of the company, receivables accounts, book debts and all rights, titles and interest in accounts of the company both present and future, and are further secured/ to be secured by way of hypothecation of all promoter's receivables realised by sale of energy purchased by the promoters from the company and deposit in the escrow account/designated account both present and future.

The above loans were further secured/to be secured by way of pledge of 51% of the equity share capital issued/to be issued by the subsidiary company to the promoter on pari passu basis.

Repayment due within one year Rs. 442.16 crores (Previous year Rs. 393.78 crores)

(C) OTHERS

Secured by hypothecation of the specific assets financed.

(D) WORKING CAPITAL BORROWING FROM BANKS

Secured by hypothecation by way of first charge on stocks of finished goods, raw materials, work in progress, stores and spares and book debts and second charge in respect of other movable and immovable assets.

		(Rs. in Crores)	
		As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 4			
Unsecured Loans			
Fixed Deposits from Public		59.67	70.58
Short Term Loans from Banks/Mutual Funds		1,820.83	550.00
Non-Convertible Debentures		-	75.00
Buyers' Credit from Banks		2,121.87	984.45
External Commercial Borrowing from Banks (ECB)		2,087.82	1,569.51
Other Loans (in Foreign Subsidiaries)		2,337.54	24.94
		8,427.73	3,274.48

Repayment due within one year Rs. 227.05 crores (Previous year Rs. 232.56 crores)

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

GROUP OF ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 1st April, 2010	Additions during the Year	Sales/Adj during the Year	As at 31st March, 2011	Upto 31st March, 2010	For the Year during the Year	Sales/TFR during the Year	Upto 31st March, 2011	As at 31st March, 2010
SCHEDULE - 5									
Fixed Assets									
Land - freehold	143.46	38.52	0.26	181.72	-	-	-	-	143.46
Land - leasehold	293.25	54.97	-	348.22	7.61	4.02	-	11.63	285.64
Live Stock	0.14	-	-	0.14	-	-	-	-	0.14
Building	1,658.12	624.24	28.61	2,253.75	223.75	89.29	2.03	311.01	1,434.37
Plant & Machinery	10,274.48	4,887.85	62.43	15,099.90	2,897.70	1,019.92	13.07	3,904.55	7,376.78
Electrical Installation	156.04	604.56	13.14	747.46	22.50	18.64	1.29	39.85	133.54
Furniture & Fixtures	80.10	51.94	12.75	119.29	19.27	12.00	0.49	30.78	60.83
Vehicles	191.11	27.54	5.05	213.60	61.49	23.62	1.52	83.59	129.62
Air Craft (Owned)	347.06	-	61.88	285.18	28.49	17.61	1.93	44.17	318.57
Intangible assets	18.75	7.62	-	26.37	4.27	2.27	-	6.54	14.48
TOTAL	13,162.51	6,297.24	184.12	19,275.63	3,265.08	1,187.37	20.33	4,432.12	9,897.43
Capital Work in Progress (Including pre-operative expenses pending allocation/capitalisation and capital goods lying in stores)	-	-	-	-	-	-	-	-	10,040.87
Previous Year	11,672.41	1,784.68	294.58	13,162.51	2,241.49	1,048.52	24.93	3,265.08	9,897.43

Notes:

- 1) Addition to Fixed Assets includes Rs. 3.29 crores (Previous year Rs. 0.50 crores) and addition to Capital Work in Progress includes Rs. 3.16 crores (Previous year Rs. Nil) being expenditure incurred on Research and Development Activities (Refer Note B.13 of Schedule 20).
- 2) Capital Work in Progress includes Rs. 1,095.96 crores (Previous year Rs. 1,107.90 crores) being Pre-operative Expenditure and Rs. 1,083.39 crores (Previous year Rs. 1,024.05 crores) being Capital stores (Refer note B.10 of Schedule 20).
- 3) Freehold land includes Rs. 5.85 crores jointly owned with the Company with 50% share and pending registration.
- 4) Depreciation during the year includes Rs. 7.55 crores (Previous year Rs. 5.48 crores) transferred to pre-operative expenses.
- 5) In a subsidiary, capital work in progress includes a deduction of Rs. Nil (Previous year Rs. 2.50 crores) on account of disposal of investment in subsidiaries.
- 6) In a subsidiary, depreciation amounting to Rs. 0.54 crores (Previous year Rs. 0.02 crores) has been capitalised.
- 7) In a subsidiary, depreciation on Coal Handling Plant amounting to Rs. 28.28 crores (Previous year Rs. 46.06 crores) has been considered separately in the Profit & Loss Account.



Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

		(Rs. in Crores)	
		As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 6			
Investments - Long Term, Trade			
(A) QUOTED EQUITY SHARES			
i)	Rocklands Richfields Limited 5,09,15,494 (Previous year 5,09,15,494) fully paid Ordinary Shares	82.71	82.71
ii)	Caledon Resources Plc. Nil (Previous year 16,82,257) fully paid Ordinary Shares	-	5.40
iii)	Hwange Colliery 440,680 (Previous year Nil) fully paid Ordinary Shares	0.47	-
Sub Total (A)		83.18	88.11
Investments - Long Term, Non-Trade			
(B) UNQUOTED EQUITY SHARES			
i)	Brahmaputra Capital and Finance Limited 1,92,00,000 (Previous year 1,92,00,000) Equity Shares of Rs. 10 each	19.20	19.20
ii)	Indian Energy Exchange Limited 12,50,000 (Previous year 12,50,000) Equity Shares of Rs. 10 each	1.25	1.25
iii)	Jindal Holding Limited 24,14,000 (Previous year 24,14,000) Equity Shares of Rs. 10 each	14.48	14.48
iv)	Jindal Petroleum Limited (formerly JSPL Oil & Natural Gas Limited) 49,400 (Previous year Nil) Equity Shares of Rs. 10 each	0.05	-
v)	Jindal Rex Exploration Private Limited 9,800 (Previous year 9,800) Equity Shares of Rs. 10 each	0.01	0.01
vi)	Stainless Investments Limited 12,42,000 (Previous year 12,42,000) Equity Shares of Rs. 10 each	6.05	6.05
vii)	X-Zone SDN BHD 36,250 (Previous year 36,250) Equity Shares of Malaysian Ringgit 1.00 each	0.04	0.04
		41.08	41.03
Less: Provision For Diminution in value of Investments		(11.54)	(11.54)
Sub Total (B)		29.54	29.49

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
(C) UNQUOTED INVESTMENT IN SHARES OF ASSOCIATE COMPANIES		
i) Fully paid up Equity Shares of Nalwa Steel & Power Limited (formerly Nalwa Sponge Iron Limited) 20,00,000 (Previous year 20,00,000) Equity Shares of Rs. 10 each	2.00	2.00
Add/(Less): Share in Profit/(Loss) - Prior years	140.96	127.10
Add/(Less): Share in Profit/(Loss) - Current year	15.78	13.86
ii) Fully paid up Equity Shares of Saras Mineracao De Ferro S/A	-	0.00
Nil (Previous year 49) Equity Shares of USD 1.00 each		
Add/(Less): Share in Profit/(Loss) - Prior years	-	-
Add/(Less): Share in Profit/(Loss) - Current year	-	-
iii) Fully paid up Equity Shares of Angul Sukinda Railway Limited 25,000 (Previous year 25,000) Equity Shares of Rs.10 each	0.03	0.03
Add/(Less): Share in Profit/(Loss) - Prior years	-	-
Add/(Less): Share in Profit/(Loss) - Current year	-	-
Sub Total (C)	158.77	142.99
(D) UNQUOTED INVESTMENT IN GOVERNMENT AND TRUST SECURITIES		
i) 11.50% IDBI-SLR 2010	-	0.55
Nil (Previous year 5,500) units of Rs. 1,000 each		
ii) 11.50% IDBI-SLR 2011	1.01	1.05
10,000 (Previous year 10,000) units of Rs. 1,000 each		
iii) 12.00% NHB-SLR 2011	0.21	0.22
20 (Previous year 20) units of Rs. 100,000 each		
iv) 12.00% IDBI-SLR 2012	0.52	0.55
5,000 (Previous year 5,000) units of Rs. 1,000 each		
v) National Saving Certificates	0.06	-
Rs. 5,90,000 (Previous year Rs. Nil)		
Sub Total (D)	1.80	2.37
Investments - Current		
(E) INVESTMENT IN UNITS OF MUTUAL FUNDS/BONDS		
i) 8.15% ICICI - 2016 Bond	0.50	0.50
5 (Previous year 5) Units of Rs. 10,00,000 each		
ii) LIC MF Liquid Fund - Growth	-	15.00
Nil (Previous year 8,89,51,64,072) units of Rs. 10 each		
iii) SBI Mutual Fund	24.08	-
3,33,03,594.19 (Previous year Nil) units of Rs. 10 each		
iv) UTI Treasury Advantage Fund - Institutional Plan - Growth	-	40.00
Sub Total (E)	24.58	55.50
OTHER INVESTMENTS (LICENCES & TELECOM SOCIETY)	0.01	0.01
Total Investments - Long Term and Current - (A+B+C+D+E)	297.88	318.47
Aggregate book value of quoted investments	83.18	88.11
Market value of quoted investments	34.50	58.32
Aggregate book value of unquoted investments	214.70	230.36



Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

SCHEDULE - 6 (CONTD.)

NOTE: During the year, the Company has purchased and sold the following investments:

(Rs. in Crores)

	PURCHASE		SALE	
	UNITS	VALUE	UNITS	VALUE
1 Axis Mutual Fund Liquid-Growth	4,70,609	50.00	4,70,609	50.04
2 Birla Sun Life Cash Plus Inst. Prem. - Growth	3,25,29,846	50.00	3,25,29,846	50.02
3 Birla Sun Life Savings Fund Inst. - Growth	56,75,498	10.00	56,75,498	10.00
4 Birla Sunlife Liquid Fund - Growth	15,78,13,131	235.04	15,78,13,131	235.09
5 Birla Sunlife Liquid Plus Fund - Growth	7,61,39,468	135.02	7,61,39,468	135.25
6 Canara Robeco Liquid Fund - Growth	7,05,72,222	80.00	7,05,72,222	80.08
7 Canara Robeco Liquid Plus Fund - Growth	5,83,86,025	83.01	5,83,86,025	83.14
8 Franklin Templeton liquid - Growth	99,264	15.00	99,264	15.02
9 Franklin Templeton liquid Plus - Growth	2,89,75,774	141.00	2,89,75,774	141.31
10 HDFC Liquiid Fund-Growth	5,13,21,041	100.00	5,13,21,041	100.13
11 ICICI Prudential Flexible Inc. Plan Premium - Growth	11,63,136	20.00	11,63,136	20.05
12 ICICI Prudential Liquid Super Inst. Plan - Growth	49,73,490	70.00	49,73,490	70.01
13 IDFC Money Manager Fund - Treasury Plan Super Inst. Plan C	1,81,95,713	20.00	1,81,95,713	20.01
14 JM financials Liquid Fund - Growth	26,79,41,613	395.34	26,79,41,613	395.75
15 JM financials Liquid Plus - Growth	6,71,29,227	90.03	6,71,29,227	90.34
16 JP Morgan Liquid Fund - Growth	10,66,66,488	130.00	10,66,66,488	130.23
17 JP Morgan Liquid Plus - Growth	4,65,75,054	57.08	4,65,75,054	57.20
18 Kotak Liquid - Instt. Premuim - Growth	5,35,73,107	101.00	5,35,73,107	101.14
19 Kotak Liquid (Inst. Premium) - Growth	1,04,97,200	20.00	1,04,97,200	20.00
20 LIC Liquid Fund - Growth	41,13,64,730	702.06	41,13,64,730	702.58
21 LIC Liquid Plus Fund - Growth	30,06,79,077	376.08	30,06,79,077	376.64
22 LIC Mutual Fund Income Plus Fund - Growth Plan	20,04,29,074	250.03	20,04,29,074	250.19
23 LIC Mutual Fund Liquid Fund - Dividend Plan	10,47,59,002	115.03	10,47,59,002	115.03
24 LIC Mutual Fund Liquid Fund - Growth Plan	16,58,81,669	282.50	16,58,81,669	282.57
25 Peerless Mutual Fund - Growth	2,36,08,793	25.00	2,36,08,793	25.04
26 Principal Cash Mangment Fund - Liquid Option Instl. Prem. Plan - Growth	4,63,00,135	67.00	4,63,00,135	67.01
27 Principal Floating Rate Fund FMP - Inst. Option Plan - Growth	4,55,09,599	67.01	4,55,09,599	67.14
28 Prudential ICICI Liquid Fund - Growth	85,09,084	118.00	85,09,084	118.13
29 Prudential ICICI Liquid Plus Fund - Growth	25,95,029	45.01	25,95,029	45.04
30 Reliance Liquid Fund - Growth	18,06,92,504	261.03	18,06,92,504	261.62
31 Reliance Liquid Fund - TP IP - Growth Plan	5,56,62,439	130.00	5,56,62,439	130.04
32 Reliance Liquid Plus Fund - Growth	6,96,530	88.05	6,96,530	88.27
33 Reliance Liquidity Fund - Growth	72,37,72,442	1,012.07	72,37,72,442	1,012.29

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

NOTE: During the year, the Company has purchased and sold the following investments: (contd.)

(Rs. in Crores)

	PURCHASE		SALE	
	UNITS	VALUE	UNITS	VALUE
34 Reliance Liquidity Fund Daily Dividend Reinvestment	12,49,56,117	125.02	12,49,56,117	125.02
35 Reliance Money Manager Fund Inst. - Growth	51,36,206	650.09	51,36,206	650.48
36 SBI Liquid Fund - Growth	10,28,09,836	199.00	10,28,09,836	199.24
37 SBI Liquid Plus - Growth	10,99,11,002	135.01	10,99,11,002	135.35
38 Tata liquid Fund - Growth	3,21,002	56.50	3,21,002	56.71
39 UTI Liquid Cash Plan Inst. - Growth	1,94,328	30.00	1,94,328	30.02
40 UTI MF Liquid Fund - Growth	12,42,723	192.57	12,42,723	192.78
41 UTI MF Liquid Plus - Growth	3,90,815	90.01	3,90,815	90.17
	3,67,41,20,042	6,819.59	3,67,41,20,042	6,826.17
Previous year	5,20,07,16,523	8,178.29	5,34,18,78,458	8,358.13

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 7		
Inventories		
(As taken, valued and certified by the Management)		
i) Stores and Spares (Including in transit)	487.34	411.62
ii) Raw Materials (Including in transit and at port)	976.73	311.57
iii) Finished Goods (Including lying at port)	1,136.34	587.44
iv) Trading Goods	0.88	-
v) Work in Progress	165.58	119.72
vi) Scrap	6.56	0.47
	2,773.43	1,430.82

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 8		
Sundry Debtors (Unsecured)		
i) EXCEEDING SIX MONTHS		
Considered Good	27.54	18.26
Considered Doubtful	1.25	1.93
Less: Provision for bad and doubtful debts	(1.25)	(1.93)
	27.54	18.26
II) OTHERS		
Considered good	1,126.16	735.06
	1,153.70	753.32



Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

		(Rs. in Crores)	
		As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 9			
Cash and Bank Balances			
Cash, Cheques, T T and Demand Drafts in hand [including cash in hand Rs. 2.48 crores (Previous year Rs. 2.36 crores)]		3.37	8.99
Balances with Scheduled Banks			
i) In Current Accounts		149.35	79.82
ii) In Fixed Deposit Accounts		327.49	23.96
[Pledged with Govt. Departments and Others Rs. 3.83 crores (Previous year Rs. 5.32 crores)]			
		480.21	112.77

		(Rs. in Crores)	
		As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 10			
Loans And Advances			
(Unsecured, considered good unless otherwise stated)			
Advances recoverable in cash or in kind or for value to be received			
- Considered good		2,255.21	2,195.21
- Considered doubtful		5.76	7.85
Less: Provision for doubtful advances		(5.76)	(7.85)
		2,255.21	2,195.21
[includes Rs. 2,024.59 crores (Previous year Rs. 791.59 crores) against capital supplies and Rs. 0.24 crores due from Directors (Previous year Rs. 0.38 crores)]			
Loans to Bodies Corporate & Others			
- Considered good		718.56	168.67
Interest Accrued		88.87	66.33
Advance against Share Application Money		54.51	49.73
Security Deposits		83.17	63.38
Balances with Govt. Departments and Others		367.00	235.78
Advance Income Tax (including TDS)		2,811.25	1,774.79
Advance Wealth tax		0.38	0.24
		6,378.95	4,554.13

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 11		
Current Liabilities		
Sundry Creditors [includes Rs. 1,192.93 crores (Previous year Rs. 607.12 crores) creditors against capital supplies] (Refer note B.17 of Schedule 20)	2,572.52	2,265.67
Other Outstanding Liabilities	718.42	414.48
Advances from customers and Others	161.50	165.55
Security Deposits*	153.40	147.92
Interest accrued but not due	37.46	32.34
Investor Education & Protection Fund**		
- Unpaid Dividend	14.18	10.66
- Unpaid Fixed Deposits	0.36	0.24
- Unpaid Interest on Fixed Deposits	0.81	0.88
	3,658.65	3,037.74

* includes a secured amount of Rs. 110.99 crores (Previous year Rs. 110.99 crores)

** There is no amount due and outstanding to be credited to Investor Education and Protection Fund

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 12		
Provisions		
For Proposed Dividend	140.29	116.84
For Corporate Tax on Dividend	3.77	4.28
For Provision for Taxation	2,904.77	1,884.41
For Provision for Wealth Tax	0.82	0.64
For Leave Encashment	47.30	36.58
For Gratuity	9.31	9.47
	3,106.26	2,052.22

(Rs. in Crores)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 13		
Miscellaneous Expenditure		
(To the extent not written off or adjusted)		
Coal Mine development expenses	14.22	3.25
Share issue expenses	6.19	4.59
	20.41	7.84



Schedules forming part of the Consolidated Profit & Loss Account for the year ended 31st March, 2011

(Rs. in Crores)		
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 14		
Sales and Operational Income		
Sales	13,979.26	11,611.50
Inter Division Transfer	1,698.30	700.09
Job Charges	0.10	0.07
Export Benefits	19.04	7.96
	15,696.70	12,319.62

(Rs. in Crores)		
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 15		
Other Income		
Miscellaneous Receipts	70.27	41.73
Liability/Provisions no longer required, written back	2.59	3.17
Profit on sale/discard of Fixed Assets	2.45	4.04
Profit on sale of Investments	6.69	10.48
Dividend Income	-	0.86
	82.00	60.28

Schedules forming part of the Consolidated Profit & Loss Account for the year ended 31st March, 2011

(Rs. in Crores)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 16		
Material, Manufacturing And Others		
Raw Material consumed	3,041.56	2,225.71
Goods Purchased for resale	0.14	0.55
Inter Division Transfer	1,698.30	700.09
Stores and Spares consumed	1,147.91	817.21
Power and Fuel	805.18	657.71
Other Manufacturing expenses	266.59	170.56
Royalty & Cess	119.70	85.51
Repairs to Buildings	27.78	31.74
Repairs to Plant and Machinery	238.97	255.17
Sub Total (A)	7,346.13	4,944.25
(Increase)/Decrease In Stocks		
Opening Stock - Finished Goods	587.44	570.32
- Scrap	0.47	-
- Work in Progress	119.72	61.37
	707.63	631.69
Closing Stock - Finished Goods*	1,135.92	578.57
- Scrap	6.56	0.47
- Work in Progress	165.58	119.72
	1,308.06	698.76
Net (Increase)/Decrease in Stock - Sub Total (B)	(600.43)	(67.07)
Excise duty on account of increase/(decrease) on stock of finished goods - Sub Total (C)	30.16	20.15
TOTAL (A+B+C)	6,775.86	4,897.33

*Net of Rs. 0.42 crores (Previous year Rs. 8.87 crores for Wire Rod Mill) of Inventory of Finished Goods during Trial Run Period of Bar Mill which has been adjusted in expenditure during Trial Run period in the current year.

(Rs. in Crores)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 17		
Personnel		
Salary, Wages, Bonus and other benefits	390.96	256.84
Contribution to Provident and Other funds	14.64	10.78
Workmen and Staff Welfare	14.19	10.10
Employees Compensation Expenses under Employees' Stock Option Scheme (Refer note B.8 of schedule 20)	(4.87)	(4.85)
	414.92	272.87



Schedules forming part of the Consolidated Profit & Loss Account for the year ended 31st March, 2011

	(Rs. in Crores)	
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 18		
Administration, Selling And Others		
Rent	12.73	8.75
Rates and Taxes	20.50	13.58
Insurance	15.91	14.10
Auditors' Remuneration	1.10	0.90
Miscellaneous Expenses	589.47	303.85
Research & Development Expenses	5.80	3.21
Loss on Sale/Discard of Fixed Assets	2.49	2.52
Loss on Sale of Investments	0.99	-
Donation (Refer note B.19 of Schedule 20)	73.96	55.50
Directors' meeting fees	0.08	0.07
Selling Expenses	471.66	291.79
Commission on Sales	2.94	7.13
Bank Charges	11.74	14.21
Financial Expenses	64.27	37.40
Provision for Doubtful debts & advances*	(0.63)	(0.10)
Prior Period Adjustment	2.85	0.12
Foreign exchange Fluctuation	11.70	17.10
[net of income of Rs. 65.22 crores (Previous year Rs. 38.62 crores)]		
	1,287.56	770.13

*Net of provision for doubtful advance of Rs. 2.00 crores written back and set off against relevant advance written off

	(Rs. in Crores)	
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE - 19		
Interest		
Interest Expenses		
-Debentures and Other Fixed Loans	295.25	408.58
-Others	63.62	42.26
	358.87	450.84
Less: Interest Received		
[including Tax Deducted at Source of Rs. 19.22 crores (Previous year Rs. 16.39 crores)]		
-Interest on Inter Corporate Deposits	(42.81)	(75.20)
-Others	(56.49)	(18.06)
	(99.30)	(93.26)
Net Interest	259.57	357.58

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

SCHEDULE - 20

Significant Accounting Policies And Notes To Consolidated Financial Statements

A. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation of Financial Statements

The consolidated financial statements are prepared under the historical cost convention, on going concern basis and in terms of the Accounting Standards notified by Companies (Accounting Standard) Rules, 2006 in compliance with Section 211(3C) of the Companies Act, 1956. The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realisation in respect of incomes. Accounting policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles in India. The accounting policies have been consistently applied by the Group and are consistent with those used in previous year.

ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

iii) Principles of Consolidation

The Consolidated Financial Statements relate to Jindal Steel & Power Limited ("the Company") and its subsidiary companies. The Consolidated Financial Statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiaries have been consolidated on a line by line basis by adding together book value of like items of assets, liabilities, income and expenses after fully eliminating inter-company transactions, balances and the unrealised profit or losses on inter-company transactions as per Accounting Standard (AS-21) 'Consolidated Financial Statements', and are presented to the extent possible, in the same manner as the Company's independent financial statements.

b) In case of foreign subsidiaries, being non-integral operations, revenue items are consolidated at the average exchange rate prevailing during the year. All assets and liabilities are converted at the exchange rates prevailing at the end of the year and exchange differences arising thereon are recognised in the foreign currency translation reserve.

c) The difference between the cost of investment in the subsidiaries and joint ventures and the Company's share of net assets at the time of acquisition of shares in the subsidiaries and joint ventures is recognised in the financial statements as goodwill or capital reserve as the case may be.

d) Minority's interest in the net assets of the consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and the equity of the Company's shareholders.

e) Minority's interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to minorities on which investment in a subsidiary is made and the minorities' share of movements in the equity since the date the parent subsidiary relationship comes into existence.

f) Investment in associate companies have been accounted for, by using equity method whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post acquisition change in the Company's share of net assets of the associate, in accordance with the Accounting Standard (AS-23) 'Accounting for Investment in Associates in Consolidated Financial Statements'.

g) Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard (AS-27) 'Financial Reporting of Interests in Joint Ventures'.

h) Investments other than in subsidiaries, associates and joint ventures have been accounted as per Accounting Standard (AS-13) 'Accounting for investments'.

i) Figures pertaining to the subsidiaries, associates and joint ventures have been re-classified wherever necessary to bring them in line with the parent company's financial statements.



Schedules

 forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

The list of subsidiaries, associates and joint ventures which are included in the consolidation and the Company's holdings therein are as under:

1. The subsidiary companies considered in the consolidated financial statements are:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership (%) as on	
		31.03.2011	31.03.2010
Affiliate Overseas Limited	Mauritius	100.00	100.00
Attunli Hydro Electric Power Company Limited	India	74.00	74.00
Belde Empreendimentos Mineiros Limited	Mozambique	100.00	100.00
Eastern Solid Fuels (Pty) Limited	South Africa	100.00	100.00
Enduring Overseas Limited	Mauritius	100.00	100.00
Etalín Hydro Electric Power Company Limited	India	74.00	74.00
Gas to Liquids International S.A.	Bolivia	80.00	80.00
Harmony Overseas Limited	Mauritius	100.00	100.00
Jindal Africa Investments (Pty) Limited	South Africa	100.00	100.00
Jindal Brasil Mineracao S.A.	Brasil	98.00	98.00
Jindal DRC SPRL	Congo	99.99	99.99
Jindal Hydro Power Limited	India	98.80	98.80
Jindal Infosolutions Private Limited*@	India	95.00	-
Jindal Investimentos LDA	Mozambique	100.00	100.00
Jindal Investment Holdings Limited	Mauritius	100.00	100.00
Jindal Madagascar SARL	Madagascar	100.00	100.00
Jindal Minerals & Metals Africa Limited	Mauritius	80.00	80.00
Jindal Minerals and Metals Africa Congo SPRL	Congo	99.95	99.95
Jindal Minerals Mining Ltd.*	Malawi	-	99.50
Jindal Mining & Exploration Limited	Mauritius	100.00	100.00
Jindal Mining (Pty) Ltd	South Africa	74.00	74.00
Jindal Mining Industry LLC	Mongolia	100.00	100.00
Jindal Power Distribution Limited	India	98.80	98.80
Jindal Power Limited	India	96.43	96.43
Jindal Power LLC	Mongolia	100.00	100.00
Jindal Power Trading Company Limited (formerly Chhattisgarh Energy Trading Company Limited)	India	79.34	79.34
Jindal Power Transmission Limited	India	98.80	98.80
Jindal Steel & Power (Australia) Pty Limited*	Australia	100.00	-
Jindal Steel & Power (Mauritius) Limited	Mauritius	100.00	100.00
Jindal Steel & Power Zimbabwe Limited*	Zimbabwe	100.00	-
Jindal Steel Bolivia S.A.	Bolivia	99.99	99.99
JSPL Mozambique Minerai LDA	Mozambique	97.50	97.50
Jubilant Overseas Limited	Mauritius	100.00	100.00
Kasai SUD Diamant SPRL	Congo	70.00	70.00

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

Name of Subsidiary	Country of Incorporation	Proportion of Ownership (%) as on	
		31.03.2011	31.03.2010
Osho Madagascar SARL	Madagascar	99.33	99.33
PT Jindal Overseas	Indonesia	99.00	99.00
Rolling Hills Resources LLC	Mongolia	100.00	100.00
Shadeed Iron & Steel Co. LLC*	Oman	99.99	-
Skyhigh Overseas Limited	Mauritius	100.00	100.00
Subansiri Hydro Electric Power Co. Limited	India	74.00	74.00
Trans Atlantic Trading Limited	Guernsey	100.00	100.00
Vision Overseas Limited	Mauritius	100.00	100.00
Worth Overseas Limited	Mauritius	100.00	100.00

2. The associate companies considered in consolidated financial statements are:

Name of Associate	Country of Incorporation	Proportion of Ownership (%) as on	
		31.03.2011	31.03.2010
Angul Sukinda Railway Limited	India	50.00	50.00
Nalwa Steel & Power Limited	India	40.00	40.00
Saras Mineracao de Ferro S.A	Brazil	49.00	49.00

3. The joint venture companies considered in consolidated financial statements are:

Name of Joint Venture	Country of Incorporation	Proportion of Ownership (%) as on	
		31.03.2011	31.03.2010
Jindal Synfuels Limited (formerly Jindal Coal To Liquid Ltd.)	India	70.00	70.00
Shresht Mining and Metals Private Limited	India	50.00	50.00
Urtan North Mining Company Limited*	India	66.67	-

* Part of the Year

@ Control exists indirectly through subsidiary



Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

iv) Other accounting policies

These are set out under "Significant Accounting Policies" as given in the standalone financial statements of Jindal Steel & Power Limited.

v) Fixed Assets and Depreciation

a) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Costs include cost of acquisitions or constructions, including incidental expenses thereto and other attributable costs of bringing the asset to its working condition for its intended use and are net of available duty/tax credits.

b) Expenditure during construction period

Expenditure related to and incurred during implementation of new/expansion-cum-modernisation projects is included under capital work-in-progress and the same is allocated to the respective Fixed Assets on completion of its construction/erection.

d) Intangible Assets

Intangible Assets are recognised on the basis of recognition criteria as set out in Accounting Standard (AS-26) 'Intangible Assets'.

e) Depreciation and Amortisation

Depreciation on fixed assets is provided on straight-line method (SLM) at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Leasehold Land and Aircraft are being amortised over the period of lease. In the case of assets where impairment loss is recognised, the revised carrying amount is depreciated over the remaining estimated useful life of the asset.

Certain Plant and Machinery have been considered as continuous process plant on the basis of technical assessment and depreciation on the same is provided for accordingly.

In case of Jindal Power Limited, a subsidiary, fixed assets are depreciated on written down value method (WDV) at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

In case of foreign subsidiaries, fixed assets are depreciated on straight-line method (SLM) based upon estimated useful life of the assets. The depreciation rates so computed do not substantially and materially differ from the rates adopted by the parent company.

Intangible Assets are amortised on straight-line method over the expected duration of benefits not exceeding ten years.

vi) Impairment of Assets

The carrying amount of assets is reviewed for impairment at each balance sheet date wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount for which the asset's carrying amount exceeds its recoverable amount being the higher of the assets net selling price and its value in use. Value in use is based on the present value of the estimated future cash flows relating to the asset. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e. cash generating units).

Previously recognised impairment losses are reversed where the recoverable amount increases because of favourable changes in the estimates used to determine the recoverable amount since the last impairment was recognised. A reversal of an asset's impairment loss is limited to its carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior years.

vii) Accounting for Leases

- a) Finance lease, is recognised as an asset and a liability to the lessor at fair value at the inception of the lease.
- b) The lease payments under operating lease as per respective lease agreements are recognised as expense in the profit and loss account on a straight line basis over the lease term.

viii) Borrowing Cost

Borrowing cost related to a qualifying asset is worked out on the basis of actual utilisation of funds out of project specific loans and/or other borrowings to the extent identifiable with the qualifying asset and is capitalised with the cost of the qualifying asset. Other borrowing costs incurred during the period are charged to profit and loss account.

ix) Segment Reporting

a) Identification of Segments

The Company's operating businesses are organised and managed separately according to the nature of products manufactured and services provided, with each segment representing a strategic business unit that offers different products. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

b) *Inter-segment transfers*

The Company accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

c) Allocation of common costs

The Common allocable costs are allocated to each segment on reasonable basis.

d) *Unallocated items*

It Include general corporate income and expense items which are not allocable to any business segment.

e) *Segment Policies*

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

x) **Valuation of Inventories**

Raw Materials and Stores & Spares are valued at lower of cost, computed on weighted average basis, and net realisable value. Cost includes the purchase price as well as incidental expenses. Scrap is valued at estimated realisable value.

Work-in-progress is valued at lower of estimated cost and net realisable value and finished goods are valued at lower of cost and net realisable value. Cost for this purpose includes direct cost and appropriate administrative and other overheads.

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

xi) **Inter-Division Transfers**

Inter-division transfer of goods, as independent marketable products produced by various divisions of the same legal entity for captive consumption, is accounted for at approximate prevailing market price. The same is shown as a contra item to reflect the true working of the respective divisions in the Profit & Loss Account. Any unrealised profit on unsold stocks is eliminated while valuing the inventories. The value of such inter-divisional transfer is netted off from sales and operational income and expenses under materials, manufacturing and others.

xii) **Foreign Currency Transactions**

Foreign currency transactions are recorded at the rate of exchange prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are

translated at the year-end exchange rates and resultant gains/losses are recognised in the profit & loss account for the year, except to the extent that they relate to new projects till the date of capitalisation which are carried to pre-operative expenses and those relating to fixed assets which are adjusted to the carrying cost of the respective assets.

In case of forward foreign exchange contracts, exchange differences are dealt with in the profit & loss account over the life of the contract except those relating to fixed assets in which case they are capitalised with the cost of respective fixed assets. Non-monetary foreign currency items are carried at historical cost.

In case of foreign subsidiaries, with non-integral foreign operations, revenue items are converted at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange difference arising on conversion is recognised in Foreign Currency Translation Reserve.

xiii) **Investments**

Long-term investments are carried at cost. Provision is made when, in the opinion of the management, diminution in the value of investment is other than temporary in nature. Current investments are carried at the lower of cost or market/fair value.

xiv) **Revenue Recognition**

a) Sales and Operational income comprises of sales, inter-division transfer, job charges and export benefits. 'Net Sales and operational income', net of excise duty and inter-division transfer is also disclosed separately.

b) Sales is inclusive of excise but net of returns, rebates, VAT and sales tax. Materials returned/rejected are accounted for in the year of return/rejection.

c) Export sales are accounted for on the basis of the date of bill of lading/ airways bill.

d) Sale of Power is accounted for on the basis of billing to consumers. Generally, all consumers are billed on the basis of recording of consumption of energy by installed meters/contracted quantum & terms with customers.

e) Income from job charges is accounted for at the time of completion of service and billing thereof.

f) Export benefits available are accounted for in the year of export, to the extent measurable.



Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

xv) Other Income

a) Claims receivable

Since it is not possible to ascertain with reasonable certainty, the quantum of accruals in respect of claims recoverable, such as from Railways, Insurance, Electricity, Customs, Excise and the like, the same are accounted for on receipt basis.

b) Income from Investment

Income from Investment is accounted for on accrual basis when the right to receive the income is established.

an independent Actuary using the projected unit credit method.

d) Other short term benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

e) Overseas subsidiaries and step down subsidiaries are making contribution as per applicable local laws of the country in which they have been incorporated/operating.

xvi) Excise Duty

Excise Duty liability on finished goods manufactured and lying in the factory is accounted for and the corresponding amount is considered for valuation thereof.

xvii) Employee Benefits

Expenses & liabilities in respect of employee benefits are recorded in accordance with Accounting Standard (AS-15) 'Employee Benefits'.

a) Provident Fund

The Company makes contribution to statutory provident fund in accordance with the Employees Provident Fund & Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

b) Gratuity

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of the defined benefit/obligation at the Balance Sheet date less the fair value of plan assets, together with adjustment for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the Balance Sheet date by an independent Actuary using the projected unit credit method.

c) Compensated absences

Liability in respect of Compensated absences due or expected to be availed within one year from the Balance Sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the Balance Sheet date is estimated on the basis of an actuarial valuation performed by

xviii) Research and Development Expenditure

Research and Development expenditure not fulfilling the recognition criteria as set out in Accounting Standard (AS-26) 'Intangible Assets' is charged to the profit and loss account while capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

xix) Employee Stock Option Scheme

Stock options granted to the employees of the Company and its subsidiary under the Employees' Stock Option Scheme(s) are evaluated on Intrinsic Value Method as per the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by the Securities and Exchange Board of India.

Accordingly, excess of market value of the stock option as on date of grant over the exercise price of the option is recognised as deferred employee compensation and is charged to the profit and loss account as employee cost on straight line method over the vesting period of the options. The options that lapse are reversed by a credit to employees' compensation expenses, equal to amortised portion of value of lapsed portion and credit to deferred employee compensation expense, equal to the unamortised portion. The balance in employee stock option outstanding amount net of any unamortised deferred employee compensation is shown separately as part of shareholder's funds.

xx) Taxes on Income

a) Current Tax

I) Indian Companies:

Provision for current tax is made considering various allowances and benefits available to the Company under the provisions of the Income Tax Act, 1961.

II) Foreign Companies:

Foreign subsidiaries and associates recognise tax liability in accordance with the applicable local laws.

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

b) *Deferred Tax*

In accordance with Accounting Standard (AS-22) 'Accounting for Taxes on Income', deferred taxes resulting from timing differences between book and tax profits are accounted for at the tax rate substantively enacted by the Balance Sheet date to the extent the timing differences are expected to be crystallised. Deferred tax assets are recognised and reviewed at each Balance Sheet date to the extent there is reasonable/virtual certainty of realising such assets against future taxable income.

c) *Minimum Alternate Tax*

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period.

xxi) **Provisions, contingent liabilities and contingent assets**

Provisions are recognised for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of resources embodying economic benefits is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefits is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

xxii) **Miscellaneous Expenditure**

The following expenditure shown under "Miscellaneous Expenditure" is amortised as follows:

- a) Iron Ore /Coal mines development expenditure and , are written off over a period of ten years.
- b) Diamond Mines Development Expenses are written off over a period of two years.

xxiii) **Earnings per Share**

The earnings considered in ascertaining the Company's Earnings per Share (EPS) comprise of the net profit after tax attributable to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding

during the period adjusted for events of bonus issue post period end, bonus elements in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares). The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

xxiv) **Financial Derivatives**

Forward contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions, are treated as foreign currency transactions and accounted as per Accounting Standard (AS-11) 'The Effects of Changes in Foreign Exchange Rates'. Exchange differences arising on such contracts are recognised in the period in which they arise.

All other derivative contracts, including forward contracts entered into to hedge foreign currency/ interest rate risks on unexecuted firm commitments and highly probable forecast transactions, are recognised in the financial statements at fair value at each reporting date, in pursuance of the announcement of the Institute of Chartered Accountants of India (ICAI) on Accounting for Derivatives.



Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

B. NOTES TO ACCOUNTS

1. Contingent Liabilities not provided for in respect of:

Description	(Rs. in Crores)	
	Current Year	Previous Year
a) Guarantees issued by the Company's Bankers on behalf of the Company	357.14	450.52
b) Letter of credit opened by banks	1,707.35	1239.89
c) Corporate guarantees/undertakings issued on behalf of third parties.	212.68	1825.95
d) Disputed Excise Duty and Other demands	769.28	634.56
e) Future liability on account of lease rent for unexpired period.	-	10.55
f) Bonds executed for machinery imports under EPCG Scheme	3,039.99	2529.15
g) Income Tax demands where the cases are pending at various stages of appeal with the authorities	187.21	111.03
h) Claims against the company, not acknowledge as debt	8.92	6.38

2. a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances): Rs. 10,512.62 crores (Previous year Rs. 13,141.61 crores).
- b) Jindal Power Limited, a subsidiary company, has for a project in Kathmandu Valley, Nepal, committed to subscribe 48% equity capital in a joint venture company namely Synergy Infrastructure Pvt. Ltd. amounting to Rs. 1.79 crores (Nepali Rupees 2.88 crores).
3. Pursuant to the process of Initial public offering, Jindal Power Limited, a subsidiary has filed the Draft Red Herring Prospectus/Prospectus with Securities and Exchange Board of India, National Stock Exchange and Bombay Stock Exchange for approval.
4. Jindal Power Limited, a subsidiary, has initiated implementation of 2400 MW Thermal Power Plant for electricity generation at Raigarh in the state of Chhattisgarh and 1320 MW Thermal Power Project located at Dumka and 660 MW Thermal Power Project located at Godda in the state of Jharkhand.
5. During the year, Shadeed Iron & Steel Co. LLC, a step down subsidiary, has started the manufacturing of Hot Briquetted Iron (HBI) in the Sultanate of Oman.
6. One of the Company's expansion units at Raigarh (Chhattisgarh) is eligible for sales tax exemption owing to its investment in capital assets under the State industrial policy which aims towards the objective of industrialisation of the State and development of backward areas. The period of exemption is linked to the quantum of investment. The Company has been advised that the element of sales tax included in the sales price of products sold out of this Unit is in the nature of sales tax subsidy granted by the State Government. Accordingly, the same amounting to Rs. 32.23 crores (Previous year Rs. 33.33 crores) has been credited during the year to Sales Tax Subsidy Reserve Account. The cumulative amount credited to Sales Tax Subsidy Reserve Account up to 31st March, 2011 is Rs.197.19 crores (Previous year Rs. 164.96 crores).
7. In accordance with Accounting Standard (AS-29) 'Provisions, Contingent Liabilities and Contingent Assets' and based on management assessment, the Company had made a provision for contingencies on account of duties and taxes payable under various laws. At the beginning of the financial year, there was an outstanding provision of Rs. 156.02 crores (Previous year Rs. 156.02 crores) included in 'Other Outstanding Liabilities'. No provision/utilisation was made either in the current year or in the previous year. At the end of the financial year, there is an outstanding provision of Rs. 156.02 crores (Previous year Rs.156.02 crores).
8. The Employees Stock Option Scheme - 2005 (ESOS-2005) was approved by the shareholders of the Company in their Annual General Meeting held on 25th July, 2005 and amended by shareholders on 27th September, 2006. Under ESOS-2005, a maximum of 11,00,000 (Eleven lacs) equity shares of Rs. 5 each could be granted to the employees of the Company and its subsidiary company(ies). In-principle approval from National Stock Exchange of India Limited and Bombay Stock Exchange Limited was given on 01.02.2006. A Compensation Committee was constituted by the Board of Directors of the Company in their meeting held on 12th May, 2005 for the administration of ESOS-2005. Under ESOS-2005, the Compensation Committee has granted stock options as follows:
- a) 8,59,400 (Eight lacs fifty nine thousand four hundred) stock options on 26.11.2005 at an exercise price of Rs. 1,014 per share (Series I) which would vest after 2 years from the date of grant to the extent of 50% (Part 1), after 3 years from the date of grant to the extent of 25% (Part 2) and after 4 years from the date of grant to the extent of 25% (Part 3);

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

- b) 1,29,550 (One lac twenty nine thousand five hundred fifty) stock options on 02.09.2006 at an exercise price of Rs. 1,121 per share (Series II) which would vest after 2 years from the date of grant to the extent of 50% (Part 1), after 3 years from the date of grant to the extent of 25% (Part 2) and after 4 years from the date of grant to the extent of 25% (Part 3); and
- c) 1,36,950 (One lac thirty six thousand nine hundred fifty) stock options on 27.04.2007 at an exercise price of Rs.1,819 per share (Series III) which would vest after 2 years from the date of grant to the extent of 50% (Part 1), after 3 years from the date of grant to the extent of 25% (Part 2) and after 4 years from the date of grant to the extent of 25% (Part 3).

Pursuant to Clause 5.3 (f) of SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and Para 18 of the ESOS-2005 of the Company, the Compensation Committee is authorised to make a fair and reasonable adjustment to the number of options and to the exercise price in respect of options granted to the employees under the Scheme in case of corporate actions such as right issue, bonus issue, merger etc.

On 27.12.2007, sub-division of the face value of each equity share of the Company from Rs. 5 to 5 equity shares of Re. 1 each was approved by the shareholders in their General Meeting. Thereafter, the Compensation Committee has, in its meeting held on 27.01.2008, made an adjustment to the exercise price by reducing it in case of Series I to Rs. 203 Series II to Rs. 225 and Series III to Rs. 364 per equity share of Re. 1 each and to the number of options by increasing it 5 times the original grant consequent to which the number of maximum options that could be issued under the ESOS-2005 increased to 55,00,000 (Fifty five lacs) [originally 11,00,000 (Eleven lacs)].

Thereafter, the following allotments of equity shares were made under ESOS-2005 on the exercise of options:

- a) 6,91,343 (Six lacs ninety one thousand three hundred forty three) equity shares of Re. 1 each were allotted on 16th June, 2008 on exercise of options granted under Part 1 of Series I of ESOS-2005;
- b) 57,136 (Fifty seven thousand one hundred thirty six) equity shares of Re. 1 each were allotted on 13th April, 2009 on exercise of options granted under Part 1 of Series II of ESOS-2005;
- c) 4,20,487 (Four lacs twenty thousand four hundred eighty seven) equity shares of Re. 1 each were allotted on 21st July, 2009 on exercise of options granted under Part 2 of Series I of ESOS-2005.

The remaining 43,31,034 (Forty three lacs thirty one thousand thirty four) equity shares of Re. 1 each were available for allotment under ESOS-2005 after the above 3 allotments.

On 4th September, 2009, issue of 5 equity shares of Re. 1 each as bonus shares on each existing equity share of the Company was approved by the shareholders in their General Meeting and on 19th September, 2009, fully paid-up bonus shares were allotted.

Thereafter, pursuant to clause 5.3 (f) of SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and Para 18 of the ESOS-2005 of the Company, the Compensation Committee has, in its meeting held on 31st October, 2009 made the following adjustments:-

- a) The number of unexercised options and options yet to be granted is increased by 5 times consequently increasing the number of unexercised and options yet to be granted from 43,31,034 (Forty three lacs thirty one thousand thirty four) to 2,59,86,204 (Two Crores fifty nine lacs eighty six thousand two hundred four);
- b) The price of unexercised options was reduced in case of Series I to Rs. 34, Series II to Rs. 38 and Series III to Rs. 61 per equity share of Re. 1 each.

In-principle approval for listing of additional 2,16,55,170 (Two Crores sixteen lacs fifty five thousand one hundred seventy) equity shares were obtained from National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

Thereafter, the following allotments of equity shares were made under ESOS-2005 on exercise of options:-

- a) 4,52,246 (Four lacs fifty two thousand two hundred forty six) equity shares of Re. 1 each were allotted on 30th January, 2010 on exercise of options granted under Part 1 of Series III of ESOS-2005;
- b) 2,52,006 (Two lacs fifty two thousand six) equity shares of Re. 1 each were allotted on 13th April, 2010 on exercise of options granted under Part 2 of Series II of ESOS-2005;
- c) 24,56,922 (Twenty four lacs fifty Six thousand nine hundred twenty two) equity shares of Re. 1 each were allotted on 23rd June, 2010 on exercise of options granted under Part 3 of Series I of ESOS-2005;
- d) 3,26,021 (Three lacs twenty Six thousand twenty one) equity shares of Re. 1 each were allotted on 1st February, 2011 on exercise of options granted under Part 2 of Series III of ESOS-2005.



Schedules

 forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

The Details of ESOS-2005 are as under:

	ESOS-2005		
	Series-I	Series-II	Series-III
1. Grant Price – Rupees	34	38	61
2. Grant Date	26.11.2005	02.09.2006	27.04.2007
3. Vesting commences on	26.11.2007	02.09.2008	27.04.2009
4. Vesting Schedule	50% of grant on 26.11.2007, subsequent 25% of grant on 26.11.2008 and balance 25% of grant on 26.11.2009	50% of grant on 02.09.2008, subsequent 25% of grant on 02.09.2009 and balance 25% of grant on 02.09.2010	50% of grant on 27.04.2009, subsequent 25% of grant on 27.04.2010 and balance 25% of grant on 27.04.2011
5. Option granted and outstanding at the beginning of the year	49,54,110	10,37,250	14,81,250
6. Option granted during the year (due to bonus shares)	-	-	-
7. Option lapsed and/or withdrawn during the period	24,97,188	5,44,680	4,14,604
8. Option exercised during the year against which shares were allotted	24,56,922	2,52,006	3,26,021
9. Option granted and outstanding at the end of the year of which	-	2,40,564	7,40,625
- Options vested	-	2,40,564	-
- Options yet to vest	-	-	7,40,625

During the year an amount of Rs. 15.69 crores pertaining to equity shares issued under the Employee Stock Option Scheme in the earlier period has been transferred from Employee Stock Option Outstanding Account to Securities Premium Account.

9. a) Provision for current income tax has been made considering various benefits and allowances available to the Company under the provisions of the Income Tax Act, 1961.
- b) Movement of deferred tax provision/adjustment in accordance with Accounting Standard (AS-22) 'Accounting for Taxes on Income' is as under:

	(Rs. in Crores)				
	As on 1st April, 2009	Charge/ (Credit) during 2009-10	As on 1st April, 2010	Charge/ (Credit) during the year	As on 31st March, 2011
A. Deferred Tax Assets					
a) Disallowance u/s 43-B of the Income Tax Act, 1961	(78.07)	(8.94)	(87.01)	(13.81)	(100.82)
b) Provision for Doubtful Debtors	(1.79)	0.27	(1.52)	0.01	(1.51)
Total Deferred Tax Assets	(79.86)	(8.67)	(88.53)	(13.80)	(102.33)
B. Deferred Tax Liabilities					
1) Difference between Book and Tax Depreciation	795.86	137.11	932.97	173.81	1,106.78
2) Miscellaneous Expenditure written off	1.03	-	1.03	-	1.03
Total Deferred Tax Liabilities	796.89	137.11	934.00	173.81	1,107.81
C. Total Deferred Tax (Net)	717.03	128.44	845.47	160.01	1,005.48

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

10. A. Pre-operative expenditure forming part of capital work in-progress is as under:

		(Rs. in Crores)	
		Current Year	Previous Year
Amount brought forward from last year		1,107.90	387.99
Add: Expenditure incurred during the year			
Personnel expenses		93.52	57.54
Consultancy charges		155.58	28.23
Financial expenses		215.48	401.88
Depreciation		8.09	5.50
Foreign exchange fluctuation(Net)		7.62	28.33
Expenses relating to Mining & Exploration		18.47	224.80
Miscellaneous expenses		215.27	56.61
Income earned during construction period		-	(2.50)
		1,821.93	1,188.38
Less: Capitalised as part of			
Plant and Machinery		576.03	42.40
Building		51.73	9.92
Other fixed assets		98.21	28.16
Amount carried forward under capital work-in-progress		1,095.96	1,107.90

B. Expenditure during Trial Run period relating to Power Plant, Bar Mill and HBI Plant (Oman) has been capitalised as Fixed Assets as under:

		(Rs. in Crores)	
Description	Current Year	Previous Year	
Income			
Sales	11.72	1.79	
Increase/(Decrease) in Stock	0.42	8.87	
TOTAL INCOME (A)	12.14	10.66	
Less: Expenditure			
Raw materials consumed	4.55	8.98	
Power and Fuel	6.69	2.57	
Personnel expenses	0.04	3.24	
Stores and spare parts consumed	31.56	0.24	
Repairs and Maintenance	1.29	0.04	
Excise duty paid	-	0.31	
Depreciation	-	0.09	
Other Expenses	-	1.23	
TOTAL EXPENDITURE (B)	44.13	16.70	
Loss during Trial run period during the current financial year (A-B)	31.99	6.04	
Add: Amount brought forward	-	-	
TOTAL	31.99	6.04	
Capitalised with the cost of fixed assets	31.99	6.04	



Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

11. Additions/(Adjustments) to Plant and Machinery/Capital work-in-progress includes addition of Rs. 165.92 crores [Previous year adjustment of Rs. (149.87) crores] on account of foreign exchange fluctuation on long-term liabilities relating to acquisition of Fixed Assets pursuant to the Notification issued by the Ministry of Corporate Affairs relating to Accounting Standard (AS-11) 'The Effects of Changes in Foreign Exchange Rates'.
12. Sales/Adjustments in gross block and depreciation under Schedule 5 includes the assets taken out of active use during the financial year of Rs. Nil and Rs. Nil (Previous year Rs. 19.80 crores and Rs. 1.89 crores) respectively. These items of fixed assets are included in the inventory of stores & spares at estimated realisable value. In a subsidiary, sales/adjustments in gross block and depreciation under Schedule 5 includes the assets taken out of active use during the financial year of Rs. 8.29 crores and Rs. 4.41 crores (Previous year Rs. Nil and Rs. Nil crores) respectively. The resultant net block of Rs. 3.88 crores (Previous year Rs. Nil) has been charged to Profit & Loss Account.
13. Expenditure on Research & Development Activities, incurred during the year, is Rs. 12.25 crores (including capital expenditure of Rs. 6.45 crores) (Previous year Rs. 3.71 crores, including capital expenditure of Rs. 0.50 crores).
14. The Company has unquoted investments of Rs. 199.85 crores in body corporates (Previous year Rs. 184.02 crores). The management had made a provision for diminution in the value of investments of Rs. 11.54 crores during the earlier years. Based on the financial position of the investee companies, the management is of the view that the provision created is adequate.
15. In the opinion of the Board, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities has been made.
16. Advances recoverable in cash or in kind or for value to be received includes Rs. 0.24 crores (Previous year Rs. 0.38 crores) being the amount due from directors/officers of the Company. Maximum amount outstanding at any time during the year was Rs. 0.76 crores (Previous year Rs. 0.87 crores).
17. The Company has so far not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year-end together with interest paid/payable under this Act has not been given. However, in Jindal Power Limited, a subsidiary, the principal amount remaining unpaid at the year end is Rs. 0.11 crores (Previous year Rs. 0.16 crores).
18. The Company has paid Rs. 12.73 crores (Previous year Rs. 8.75 crores) under cancellable operating leases.
19. Donations include Rs. Nil (Previous year Rs. 0.50 crores) to Haryana Pradesh Congress Committee, being a political party.
20. Prior period adjustment (net) includes:

	(Rs. in Crores)	
	Current Year	Previous Year
Expenses relating to earlier years		
- Miscellaneous Expenses	2.85	0.12

21. Borrowing cost incurred during the year and capitalised by the Company is Rs. 134.32 crores (Previous year Rs. 0.28 crores). Borrowing Cost incurred during the year and transferred to Capital Work in Progress by the Company is Rs. 265.49 crores (Previous year Rs. 138.20 crores).
22. In the previous year, dividend proposed relating to the shares under ESOP was made on the basis of options vested but not exercised till the end of the financial year. Provision made in respect of options lapsed and not exercised in the current year has been adjusted with the dividend proposed for the year ended on 31st March, 2011.
23. The Company has made a provision of Rs. 3.75 crores (Previous year Rs. 4.28 crores) net of reversal of Rs. 0.02 crores (Previous year Rs. Nil) for Corporate Dividend Tax on the amount of dividend proposed for the year ended 31st March, 2011 after considering the set-off of interim dividend declared by a subsidiary company for the same financial year, as per the provisions of section 115-O of the Income Tax Act, 1961.

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

24. Earning per Share as required by Accounting Standard (AS-20):

(Rs. in Crores, except per share data)

	Current Year	Previous Year
Profit after Taxation	3,804.01	3,634.56
Profit attributable to ordinary shareholders	3,804.01	3,634.56
Add: Share of Profit of Associates	15.78	13.86
Less: Minority Interest	(65.91)	(75.45)
Profit attributable to Ordinary shareholders (Consolidated)	3,753.88	3,572.97
Number of Equity Shares (in nos.)		
Issued and subscribed	933,428,727	930,727,664
Number of Potential Equity Shares (under Employees' stock option scheme)	901,250	7,030,687
Total no. of shares including potential equity shares	934,329,977	937,758,351
Basic earning per Share (Rs.)	40.22	38.39
Diluted earning per Share (Rs.)	40.18	38.10

25. As per Accounting Standard (AS-15) 'Employee Benefits', the disclosure of employee benefits as defined in the Accounting Standard is given below:

(Monetary figures Rs. in Crores)

	Current Year		Previous Year	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
I Components of Employer Expense	Funded	Unfunded	Funded	Unfunded
1 Current Service Cost	5.13	9.21	2.14	7.33
2 Interest Cost	2.03	2.95	0.86	2.26
3 Expected Return on Plan Assets	(1.39)	-	(0.87)	-
4 Curtailment Cost/(Credit)	-	-	-	-
5 Settlement Cost/(Credit)	-	-	-	-
6 Past Service Cost	0.84	0.58	8.58	-
7 Actuarial Losses/(Gains)	2.30	1.63	(0.35)	0.36
8 Total expense recognised in the Profit & Loss Account	8.91	14.37	10.36	9.95
II Actual Returns for the year ended March 31, 2011)	1.26	-	0.66	-
III Net Assets/(Liability) recognised in the Balance Sheet as at March 31, 2011				
1 Present value of Defined Benefit Obligation	(32.65)	(47.30)	(23.79)	(36.58)
2 Fair Value of Plan Assets	21.70	-	11.90	-
3 Status {Surplus/(Deficit)} (1-2)	(10.95)	(47.30)	(11.89)	(36.58)
4 Unrecognised Past Service Cost	1.64	-	2.42	-
Net Assets/(Liability) recognised in the Balance Sheet (3+4)	(9.31)	(47.30)	(9.47)	(36.58)



Schedules

forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

(Monetary figures Rs. in Crores)

	Current Year		Previous Year	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
IV Change in Defined Benefit Obligation (DBO) during the year ended March 31, 2011	Funded	Unfunded	Funded	Unfunded
Present Value of DBO at the beginning of the year	(23.79)	(36.58)	(10.78)	(28.49)
1 Current Service Cost	(5.13)	(9.21)	(2.14)	(7.33)
2 Interest Cost	(2.03)	(2.95)	(0.86)	(2.26)
3 Curtailment Cost/(Credit)	-	-	-	-
4 Settlement Cost/(Credit)	-	-	-	-
5 Plan Amendments	(0.08)	(0.58)	(11.00)	-
6 Acquisitions	0.01	(0.01)	-	-
7 Actuarial (Losses)/Gains	(2.42)	(1.63)	0.57	(0.36)
8 Benefits Paid	0.79	3.66	0.42	1.86
Present Value of DBO at the end of the year	(32.65)	(47.30)	(23.79)	(36.58)
V Change in Fair Value of Assets during the year ended March 31, 2011				
Plan Assets at the beginning of the year	11.90	-	7.60	-
1 Acquisition Adjustment	1.28	-	-	-
2 Expected Return on Plan Assets	1.39	-	0.87	-
3 Actuarial (Losses)/Gains	0.12	-	(0.21)	-
4 Actual Company Contribution	7.80	3.66	4.06	1.86
5 Benefit Paid	(0.79)	(2.84)	(0.42)	(1.86)
Plan Assets at the end of the year	21.70	0.82	11.90	-
VI Actuarial Assumptions				
1 Discount Rate (%)				
- Holding Company	8.50	8.50	8.50	8.50
- Subsidiary Company	8.40	8.40	8.50	8.50
2 Expected Return on Plan Assets (%)				
- Holding Company	9.00	-	9.00	-
- Subsidiary Company	9.15	-	9.15	-

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

26. Disclosures as required by Accounting Standard (AS-17) 'Segment Reporting':

I) Primary Segments (Business Segments):

Particulars	(Rs. in Crores)	
	Current Year	Previous Year
1. Segment Revenue		
a) Iron and Steel	10,420.82	7,567.11
b) Power	4,317.46	4,769.48
c) Others	229.51	136.25
Sub - Total	14,967.79	12,472.84
Less: Inter-segment Revenue	969.39	853.31
Net Segment Revenue	13,998.40	11,619.53
2. Segment Results (Profit(+)/ Loss(-) before Tax and interest from each segment)		
a) Iron and Steel	2,887.51	1,871.52
b) Power	2,937.77	3,420.24
c) Others	(6.32)	(52.92)
Sub - Total	5,818.96	5,238.84
Less: Interest, financial expenses and lease rent	335.58	409.19
Other un-allocable expenditure (net of un-allocable income)	495.36	276.20
Profit before Tax	4,988.02	4,553.45
Provision for Taxation		
- Income Tax	1,023.03	790.13
- Deferred Tax	160.01	128.44
- Wealth Tax	0.97	0.32
Profit after tax	3,804.01	3,634.56
3. Other Information		
I Segment Assets		
a) Iron and Steel	17,481.99	11,976.53
b) Power	9,763.94	8,112.28
c) Others	1,554.55	1,355.29
d) Un-allocated Assets*	7,290.27	3,678.31
TOTAL ASSETS	36,090.75	25,122.41
II Segment Liabilities		
a) Iron and Steel	1,992.47	2,242.12
b) Power	21.85	1,015.56
c) Others	371.72	59.14
d) Un-allocated Liabilities	5,384.35	2,618.61
TOTAL LIABILITIES	7,770.39	5,935.43
III Capital Expenditure (Including Capital work in Progress)		
a) Iron and Steel	4,486.91	3,382.92
b) Power	3,867.35	2,850.89
c) Others	36.88	242.48
TOTAL	8,391.14	6,476.29



Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

Particulars	(Rs. in Crores)	
	Current Year	Previous Year
IV Depreciation		
a) Iron and Steel	591.39	423.17
b) Power	512.73	540.64
c) Others	46.88	33.15
TOTAL	1,151.00	996.96
V Non-Cash expenditure other than depreciation		
a) Iron and Steel	(5.47)	(5.03)
b) Power	-	-
c) Others	14.95	3.67
TOTAL	9.48	(1.36)

* Unallocated assets include capital work in progress relating to ongoing projects with corresponding liabilities under unallocated liabilities.

II) Secondary Segments (Geographical Segments):

Particulars	(Rs. in Crores)	
	Current Year	Previous Year
1. Revenue by Geographical Market		
a) India	12,159.82	11,014.55
b) Outside India	1,838.58	604.98
TOTAL	13,998.40	11,619.53

27. Disclosure as required by Accounting Standard (AS-18) 'Related Party Disclosures':

The names of related parties where control exist and/or with whom transactions have taken place during the year and description of relationship as identified and certified by the management are:

A. List of Related Parties and Relationships

a) **Associates**

1. Angul Sukinda Railway Limited
2. Nalwa Steel & Power Limited
3. Saras Mineracao de Ferro S.A. (Associate of Jindal Steel & Power Mauritius Limited) (Till 02.06.2010)

b) **Joint Ventures**

1. Jindal Synfuels Limited (formerly Jindal Coal to Liquid Limited)
2. Shresht Mining and Metals Private Limited
3. Urtan North Mining Private Limited

c) **Key Management Personnel**

1. Shri Naveen Jindal (Exec. Vice Chairman & Managing Director)

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

2. Shri Vikrant Gujral (Group Vice Chairman & Head Global Ventures)
 3. Dr. Rajendra Prasad Singh (Executive Vice Chairman) – Jindal Power Limited
 4. Shri Anand Goel (Jt. Managing Director, Corporate Affairs)
 5. Shri R.S. Sharma (Managing Director from 25.10.2010) – Jindal Power Limited
 6. Shri Sushil Kumar Maroo (Deputy Managing Director) – Jindal Power Limited
 7. Shri Arun K. Mukherji (Whole time Director upto 23.11.2010)
 8. Shri Naushad Akhter Ansari (Whole time Director from 01.12.2010)
 9. Shri K.K. Sinha (Whole time Director upto 15.09.2010) – Jindal Power Limited
 10. Shri Pradip Kumar Chakraborty (Whole Time Director) – Jindal Power Limited
- d) **Enterprises over which Key Management Personnel and their relatives exercise significant influence and with whom transactions have taken place during the year**
1. Advance Sporting Arms Private Limited
 2. Bir Plantation Private Limited
 3. Gagan Infraenergy Limited (formerly Gagan Sponge Iron Limited)
 4. India Flysafe Aviation Limited
 5. Jindal Coal Private Limited
 6. Jindal Realty Private Limited
 7. Jindal Rex Exploration Private Limited
 8. Jindal Saw Limited
 9. Jindal Stainless Limited
 10. Jindal System Private Limited
 11. Minerals Management Services (India) Private Limited (formerly Minerals Management Services (India) Limited)
 12. Nalwa Sons Investment Limited
 13. Opelina Finance and Investment Limited
 14. Trishakti Real Estate Infrastructure and Developers (P) Limited
 15. Uttam Vidyut Transmission Private Limited
 16. YNO Finvest Private Limited



Schedules

 forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

B. Transactions with Related Parties

Description	(Rs. in Crores)					
	Associates and Joint ventures		Key Management Personnel		Enterprises controlled by Key Management personnel and their relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Purchase of Goods/Services	128.85	75.41	-	-	23.33	46.47
Sales of Goods (incl. capital goods)	251.64	130.27	-	-	954.52	446.77
Rendering Of Services	-	-	-	-	3.30	0.08
Investment in Equity Shares during the year	0.69	0.03	-	-	-	-
Advance against share Application money	18.06	5.00	-	-	-	-
Other Advances given/(taken)	-	-	0.31	0.26	27.73	-
Rent and other expenses Paid	-	-	0.02	-	-	0.04
Interest received/(paid)	0.11	0.07	-	-	29.30	25.58
Dividend received/(paid)	-	-	-	(0.17)	-	(13.06)
Remuneration*	-	-	85.75	82.18	-	-
Lease rent received	-	-	-	-	3.00	5.40
Hire charges paid	-	-	-	-	22.09	21.72
Guarantees/Corporate guarantees obtained/(given)	(7.33)	(71.75)	-	-	-	(16.66)
Inter-corporate deposits given	0.57	0.45	-	-	-	39.69
Outstanding Balance at the year end						
Investment in Equity Shares	3.40	2.05	-	-	-	-
Guarantees Outstanding	79.08	71.75	-	-	16.66	16.66
Advance from customer & Others	-	-	-	-	0.44	-
Loans and Advances (including Interest)	1.58	0.98	0.24	0.38	461.23	394.20
Advance against Share Application money	23.06	5.00	-	-	-	-
Debtors – Dr. Balance	52.21	0.55	-	-	28.98	36.56
Creditors – Dr. Balance	-	0.02	-	-	23.22	0.03
Cr. Balance	-	5.41	-	-	0.68	1.64

*Remuneration to Key Management Personnel does not include sitting fees paid during the year of Rs. 0.06 crores

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

28. Financial and Derivative Instruments:

- a) Derivatives contracts entered into by the Company and outstanding as on 31st March, 2011, for hedging currency and interest rate related risks:

Nominal amounts of derivative contracts entered into by the Company and outstanding is Rs. 3,205.86 crores (Previous year Rs. 2,177.89 crores). Category wise break-up is given below:

	(Rs. in Crores)	
	Current Year	Previous Year
Interest rate Swaps	483.95 (USD equivalent 108.38 Million)	568.17 (USD 125.86 Million)
Options	93.76 (USD 21 Million)	148.96 (USD 33 Million)
Forward Contracts	2,628.15 (USD equivalent 570.39 Million)	1,460.76 (USD 315.05 Million)

- b) The principal component of foreign currency loans/debts not hedged by derivative instruments amount to Rs. 2,087.81 crores (Previous year Rs. 1,569.51 crores) which in respective currencies is as under:

	Current Year	Previous Year
US Dollars	142.85 Million	64.28 Million
Japanese Yen	20,810.18 Million	22,647.58 Million
Euro	51.51 Million	30.09 Million

- c) In accordance with the accounting policy on financial derivative instruments, during the year, the company has recognised mark to market losses of Rs. 21.62 crores (Previous year Rs. Nil being mark to market gains).

29. Interest in Joint Ventures:

The Company's interest as a venturer, in jointly controlled entities (Incorporated Joint Ventures) is as under:

	Country of Incorporation	Percentage of ownership interest as at 31st March, 2011	Percentage of ownership interest as at 31st March, 2010
Jindal Synfuels Limited (formerly Jindal Coal to Liquid Limited)	India	70.00	70.00
Shresht Mining and Metals Private Limited	India	50.00	50.00
Urtan North Mining Company Limited	India	66.67	-



Schedules

 forming part of the Consolidated Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended as on that date

The Company's interests in the above Joint Ventures is reported as Long Term Investment (Schedule-6) and stated at cost. However, the Company's share of assets, liabilities, income and expenses, etc. (each without elimination of the effect of transactions between the Company and the joint ventures) related to its interest in the Joint Ventures are:

(Rs. in Crores)		
	As at 31st March, 2011	As at 31st March, 2010
I. Assets		
1. Fixed Assets	-	-
2. Current Assets, Loans and Advances		
a) Cash and Bank Balances	1.56	0.12
II. Liabilities		
1. Unsecured Loans	0.79	0.49
2. Current Liabilities	0.15	0.00
III. Miscellaneous Expenditure	0.06	0.04
(To the extent not written off or adjusted)		
	For the period ended 31st March, 2011	For the period ended 31st March, 2010
IV. Income	-	-
V. Expenses		
Administrative and Other expenses (under pre-operative account)	9.54	0.48

30. Previous year figures have been regrouped and/or rearranged wherever considered necessary to facilitate comparison with current year figures.

In terms of our report attached

For S.S. Kothari Mehta & Co.
Chartered Accountants

Arun K. Tulsian
Partner
Membership No. 89907

Place : New Delhi
Date : 21st April, 2011

For and on behalf of the Board

Naveen Jindal
Executive Vice Chairman
& Managing Director

Anand Goel
Joint Managing Director

Sushil K Maroo
Director

T.K. Sadhu
Company Secretary



Jindal Steel & Power Limited
O.P. Jindal Marg, Hisar - 125 005, Haryana

ATTENDANCE SLIP

DP. ID*	
Client ID*	

Folio No.	
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I/We hereby record my/our presence at the 32nd Annual General Meeting of the Company at its Registered Office at O. P. Jindal Marg, Hisar –125005 (Haryana) on Thursday, the 29th day of September, 2011 at 12.00 noon.

Name of the shareholder
(in BLOCK LETTERS)

Signature of the Shareholder / Proxy

NOTE:

1. You are requested to sign and hand this over at the entrance.
 2. If you are attending the meeting in person or by proxy your copy of notice may please be brought by you or your proxy for reference at the meeting.
- * Applicable for Investors holding shares in demat form.



Jindal Steel & Power Limited
O.P. Jindal Marg, Hisar - 125 005, Haryana

PROXY FORM

DP. ID*	
Client ID*	

Folio No.	
-----------	--

I/we ofin the district of being a member / members of the above named Company hereby appoint of in the district of or falling himof in the district of as my /our proxy to vote for me /us on my /our behalf at the 32nd Annual General Meeting of the Company to be held at its Registered Office at O. P. Jindal Marg, Hisar –125005 (Haryana) on Thursday, the 29th day of September, 2011 at 12.00 noon.

Signed thisday of2011

Affix 30 Ps. Revenue Stamp

NOTES

1. This form should be signed across the stamp as per specimen signature registered with the Company.
 2. The Proxy, to be effective, should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
 3. A proxy need not be a member of the Company.
 4. This form is to be used in favour of/ against the resolution. Unless otherwise directed, the proxy will vote as he thinks fit.
- * Applicable for Investors holding shares in demat form.

Signature

Corporate Information

BOARD OF DIRECTORS

Smt. Savitri Jindal	Chairperson Emeritus
Shri Naveen Jindal	Chairman & Managing Director
Shri Ratan Jindal	Director
Shri Vikrant Gujral	Group Vice Chairman & Head Global Ventures
Shri Anand Goel	Joint Managing Director
Shri Sushil Maroo	Director
Shri Naushad A. Ansari	Wholetime Director
Shri S. Ananthakrishnan	Nominee Director, Independent - IDBI Bank Limited
Shri R. V. Shahi	Director, Independent
Shri Arun K. Purwar	Director, Independent
Shri Arun Kumar	Director, Independent
Shri Haigreve Khaitan	Director, Independent
Shri Hardip Singh Wirk	Director, Independent
Shri Rahul Mehra	Director, Independent

REGISTERED OFFICE

O.P. Jindal Marg
Hisar - 125 005, Haryana, INDIA
Tel: +91 1662 222471-84
Fax: +91 1662 220476/499

CORPORATE OFFICE

Jindal Centre,
12, Bhikaiji Cama Place,
New Delhi - 110 066, INDIA
Tel: +91 11 26188340-50
Fax: +91 11 26161271

OTHER LOCATIONS (INDIA)

Works

Raigarh

Kharsia Road, P Box No. 16,
Raigarh - 496 001, Chhattisgarh, INDIA
Tel: +91 7762 304300, 227001-05
Fax: +91 7762 227022-23, 227050

Raipur

13 K. M. Stone,
G.E. Road, Mandir Hausad,
Raipur - 492 101, Chhattisgarh, INDIA
Tel: +91 771 2471205-07, 3054600
Fax: +91 771 2471214, 2471120, 3054666

Angul

Jindal Nagar
Village Nisha, SH 63,
Chhendipada Road,
Angul, Orissa - 759 111, INDIA
Tel: +91 6761 254191-95
Fax: +91 6761 254141-144

Patratu

Balkudra, Patratu,
Dist. Ramgarh, Jharkhand - 829 143, INDIA
Tel: +91 6553 275724/275726
Fax: +91 6553 275744

Barbil

Iron Ore Pellet Plant
P O Box No. 86,
Joda - Barbil Highway, Barbil,
Dist. Keonjhar - 758 035, Orissa, INDIA
Tel: +91 6767 248817
Fax: +91 6767 248620

Mines

Dongamahua

Jindal Open Cast Coal Mines
Village Dongamahua, P.O. Dhorabhatta (Tamnar)
Dist. Raigarh - 496 107, Chhattisgarh, INDIA
Tel: +91 7767 203538/203485
Fax: +91 7767 281611

Tensa

TRB Iron Ore Mines
At P.O. - Tensa,
Dist. Sundergarh - 770 042, Orissa, INDIA
Tel: +91 6625 236023/24
Fax: +91 6625 236022

BANKERS

State Bank of India
Punjab National Bank

State Bank of Patiala

ICICI Bank Limited

Canara Bank

STATUTORY AUDITORS

M/s S.S. Kothari Metha & Co.
145-149, Tribhuwan Complex,
Ishwar Nagar, Mathura Road,
New Delhi - 110 065

COST AUDITORS

M/s Ramanath Iyer & Co.
BL-4, (Paschmi) Shalimar Bagh,
New Delhi - 110 088

COMPANY SECRETARY

Shri T.K. Sadhu

Marketing Offices

Head Office, North and

International Sales Division

DCM Building, 3rd Floor, Plot No-94,
Sec-32, Near Exit-9,
Gurgaon - 122 001, Haryana, INDIA
Ph: +91 124 6689000 (Board)
Fax: +91 124 6689176

Central

13 K. M. Stone
G.E. Road, Mandir Hausad,
Raipur - 492 101, Chhattisgarh, INDIA
Tel: +91 771 2471205-7, 3054600
Fax: +91 771 3054671,

East

Room No. 61 & 63, 6th Floor,
Circular Court, 8 A.J.C. Bose Road,
Kolkata - 700 017, West Bengal, INDIA
Tel: +91 33 40218100
Fax: +91 33 40218116

West

The Enclave
1st Floor, Behind Marathe Udyog Bhawan,
New Prabhadevi Road, Prabhadevi,
Mumbai - 400 025, Maharashtra, INDIA
Tel: +91 22 66241000
Fax: +91 22 66241020

South

2D, Century Plaza
560 - 562, Anna Salai, Teynampet,
Chennai 600 018, Tamil Nadu, INDIA
Tel: +91 44 43546724, 42179234
Fax: +91 44 42132334

Branch Offices

Ahmedabad

A 223/224, 2nd Floor,
Sakar VII, Near Nehru Bridge, Ashram Road,
Ahmedabad - 380 009, Gujarat, INDIA
Tel - +91 79 30005502
Fax - +91 79 30005503

Bangalore

The Estate, 3rd Floor,
#121 Dickenson Road,
Bangalore - 560 042, Karnataka, INDIA
Tel: +91 080 4244 8888, 4212 7132
Fax: +91 080 4244 8820

Bhubaneswar

426, Jayadev Nagar,
Near Nageshwar Tangi,
Bhubaneswar - 751 002, Orissa, INDIA
Tel: +91 674 2435380/2435420
Fax: +91 674 2435419

Hyderabad

No. 108, Mittal Chambers,
2-2-51, Pan Bazaar, M.G. Road,
Secunderabad - 500 003,
Andhra Pradesh, INDIA
Telefax: 040 40024878

Ranchi

241/B, Ashok Path,
Road No.2, Ashok Nagar,
Ranchi - 834 002, Jharkhand, INDIA
Tel: +91 651 2242362
Fax: +91 651 2242363

Kolkata

3A, Duckback House,
41, Shakespeare Sarani
Kolkata - 700 017, West Bengal, INDIA
Tel: +91 33 4002 1300
Fax: +91 33 2290 6203

Stockyards

Ahmedabad

Plot No. 156/157,
Mouje Eyava Near Hipolin Ltd.,
Opp. Super Atta Sanand, Viramgam Highway,
Sanand, Ahmedabad - 382 110, Gujarat, INDIA
Tel: +91 2717 284116
Fax: +91 2717 284216

Bhopal

Survey # 423,424,425,
Gram - Sukhi Sevania,
Vidisha Road, Tahsil - Huzoor,
Dist. - Bhopal 462 010, Madhya Pradesh, INDIA
Tel: +91 755 2885221, 22

Chennai

Plot No.4, Survey No. 110/2
Kadappakkam Village, Manali
Chennai - 600 103, Tamil Nadu, INDIA
Telefax: +91 44 25930487

Faridabad

Village Bhakri, Badkhal - Pali Road
Faridabad - 121 009, Haryana, INDIA
Tel: +91 129 2484847
Fax: +91 129 2484630

Ghaziabad

Chachan Metals Pvt. Ltd.
Khasra No.387 to 389 & 391 to 394
Gram-Bhavapur, Reliance Road,
Dasna, Ghaziabad, Uttar Pradesh, INDIA

Hyderabad

Survey No. 66-E, 67-E, 68-A
Shankarpally Road
Nandigama Village
Patancheruvu, Medak Dist. - 502 319
Andhra Pradesh, INDIA
Tel: +91 8455 200309/310

Kolkata

C/o. Balmer Lawrie & Co. Ltd.
No. 1, Sonapur Road, Hide Road,
Near Jainkunj Petrol Pump,
Kolkata - 700 088, West Bengal, INDIA
Tel: +91 33 2449 5298 (Extn. 340, 325)

Ludhiana

Opp. Hara Petrol Pump
Machiwara Road, Kohara Chowk
Dist. Ludhiana - 141 020
Punjab, INDIA

Rahuri

Gate No.44,
Opp.Rahuri Railway Station
Tandulwadi, Post- Rahuri,
Dist. Amadnagar-413 705, Maharashtra, INDIA
Tel: +91 2426 248582

Nagpur

17.5 K.M. Stone, Bhandara Road
Mauza Kadoli, Tehsil Kamptee
Dist. Nagpur - 441 104, Maharashtra, INDIA
Tel: +91 7109 270486

Raipur

30 K. M. Stone
G.E. Road, Village Lakholi, Tehsil Aarang,
Dist. Raipur - 492 101, Chhattisgarh, INDIA
Tel: +91 771 2471205-7

JINDAL POWER LIMITED

Corporate Office

Jindal Centre,
12, Bhikaiji Cama Place,
New Delhi - 110 066, INDIA
Tel: +91 11 26188340-50
Fax: +91 11 26161271

Registered Office

Tamnar - 496 107, Dist. Raigarh,
Chhattisgarh, INDIA
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Fax: +91 7767 281 995

INTERNATIONAL LOCATIONS

Bolivia

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Santa Cruz de la Sierra - Bolivia
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Fax: +591 3 3416775/3416300

China

Jindal Steel and Power Limited
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Fax: +86 10 6581 4021

Democratic Republic of Congo

Jindal DRC Sprl
No. 04, Avenue Adoula,
Commune de la Lubumbashi,
Katanga Province D.R.C.
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Tel: +322 3 865135, 865136

Indonesia

PT Jindal Overseas
Apartment Cityloft, 1106,
JL KH Masmansyur No. 121,
Jakarta Pusat - 10220,
Indonesia
Tel: +62 21 29959871/72
Fax: +6221 29959873

Madagascar

Jindal Madagascar SARM
LOT II, J 171, Ter Ivandry
Antananarivo - 101, Madagascar
Tel: +261 2022 43004

Mozambique

JSPM Mozambique Mineraiis Limitada
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Av. 25 de Setembro
Maputo , Mozambique
Tel: +258 2149 1227
Fax: +258 2149 1217

South Africa

Jindal Africa Investment Pty. Ltd.
Ground Floor, Bldg. No. 1,
Park Nicol Office Complex,
3001 William Nicol Drive,
Bryanston, 2021, Johannesburg,
South Africa
Tel: +27 11 706 8420/8321/8435
Fax: +27 11 706 8422

Oman

Shadeed Iron & Steel LLC
P.O. Box: 312, A'Tareef,
321, Sohar, Sultanate of Oman
Tel: +968 26850459
Fax: +968 26850438

Zimbabwe

Jindal Steel & Minerals Zimbabwe Ltd.
A-34 Quinington Road
Quinington
Borrowdale
Harare, Zimbabwe

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Global recognition for
Annual Report 2009-10



The Jindal Steel & Power Limited Annual Report 2009-10 was awarded at the prestigious LACP Vision Awards, 2010 - the world's largest annual reports competition featuring over 5000 companies from 25 countries.

The awards are based on a rating received across factors, such as First Impression, Cover, Letter to Shareholders, Narrative, Financial Message Clarity, Creativity, Information Accessibility.

- No. 38 on Asia Pacific Top 50
- Gold Award in Materials category



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