

NOTICE TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the Thirty Seventh Annual General Meeting of the Members of Chandi Steel Industries Limited will be held on Tuesday, 29th September, 2015 at 11:00 a.m. at the Registered Office of the Company situated at 3, Bentinck Street, Kolkata – 700 001 to transact the following business:

ORDINARY BUSINESS

Item No. 1

To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2015 together with the Report of the Board of Directors and the Auditors thereon.

Item No. 2

To appoint a Director in place of Shri Sanjiv Jajodia (holding DIN – 00036339), who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 3

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

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other applicable provisions if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. Rashmi & Co., Chartered Accountants (Firm Registration No. 309122E), of 213, Todi Chambers, 2, Lal Bazar Street, Kolkata – 700 001, be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at such remuneration apart from reimbursement of out of pocket expenses and taxes as applicable, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors”.

SPECIAL BUSINESS

Item No. 4

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 149,152 read with schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement with the Stock Exchange, Ms. Ekta Agarwal (DIN – 07158376), who was appointed by the Board as an Additional Director of the Company with effect from 16th April, 2015, based on the recommendation of the Nomination and Remuneration Committee, in terms of Section 161(1) of the Companies Act, 2013 and who hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a period of 5 years with effect from 16th April, 2015.”

Item No. 5

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), a consolidated remuneration of Rs. 20,000/- (excluding applicable taxes and reimbursement of out-of pocket expenses, if any) as recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 13th August, 2015 to be paid to Mondal & Associates, Proprietor Mr. Amiya Mondal, being the Cost Auditors of the Company, having office at 45, Akhil Mistry Lane, Kolkata – 700 009 for conducting the audit of the cost records of the Company and providing Cost Audit Report and all such reports, annexures, records, documents etc., for the financial year 2015-16, that may be required to be prepared and submitted by the Cost Auditors under applicable statute, be and is hereby ratified.”

Item No. 6

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49(VII) of the Listing Agreement with the Stock Exchange (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any

authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board” which term shall include any Committee thereof constituted by the Board to exercise its powers, including the powers conferred by this Resolution) to enter into contracts, arrangements, transactions including material transactions with its related parties, in any financial year on such terms and conditions as may be mutually agreed upon between the Company and its related parties, as per details given below:

Name of the Related Party	Nature of Relationship	Nature of Contract	Estimated amount per annum (Amount in Crore)
Jai Balaji Industries Limited (JBIL)	JBIL is a Public Company having common directorship with CSIL and Shareholding of such Director/Directors along with his/their relatives is more than 2% of its paid-up share capital	Purchase/ Sale of goods/materials on an arms length basis and in ordinary Course of business, Corporate Guarantee given/obtained	100
Jai Salasar Balaji Industries Pvt. Ltd. (JSBIPL)	JSBIPL is a Private Company having common directorship/membership with JBIL	Purchase/ Sale of goods/materials on an arms length basis and in ordinary Course of business	100
Balaji Ispat Udyog (BIU)	BIU is a Proprietorship Firm in which a director is a proprietor	Purchase/ Sale of goods/materials on an arms length basis and in ordinary Course of business	50

RESOLVED FURTHER THAT pursuant to Clause 49(VII) of the Listing Agreement with the Stock Exchanges read with SEBI Circular No.CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014, any material related party transaction already entered by the Company with its related parties as on the date of this resolution be and is hereby approved and ratified.”

RESOLVED FURTHER THAT the Board be and is hereby authorised to decide upon the nature of Related Party Transactions to be entered into with its Related Parties within the aforesaid limit;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this Resolution.”

Registered Office:
3, Bentinck Street,
Kolkata – 700 001

By Order of the Board
For **Chandi Steel Industries Limited**

Place : Kolkata
Date :31st August, 2015

sd/-
Seema Chowdhury
Company Secretary

Notes:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business under item no. 4 to 6 to be transacted at the Thirty Seventh Annual General Meeting (‘the meeting’) is annexed hereto and forms part of the Notice.
2. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 26th September, 2015 to Tuesday, 29th September, 2015 (both days inclusive).
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to Section 105 of the Companies Act, 2013 and rules made thereunder a person can act as a proxy on behalf of the member or members not exceeding 50 (Fifty) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. Also, a member holding more than 10% of the total share capital of the Company carrying voting rights, may appoint a single person as a proxy provided that such a person shall not act as a proxy for any other person or member. The instrument appointing the proxy, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 (Forty Eight) hours before the commencement of the meeting. Further, proxies submitted on behalf of the companies, societies etc.

must be supported by an appropriate resolution/authority, as applicable. Members who hold shares in dematerialized form are requested to bring their Photo Identity Card for easy identification of attendance at the meeting.

Every member entitled to vote at the meeting shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during business hours, provided that not less than 3 days notice in writing of the intention to inspect is given by the member to the Company.

4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the board resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. Members holding shares in physical mode are requested to intimate any change in their address or bank mandates to the Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Private Limited, 6 Mangoe Lane, Kolkata – 700 001 and members holding shares in demat mode are requested to intimate any change in their address or bank mandates to their respective Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.
6. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Private Limited, 6 Mangoe Lane, Kolkata – 700 001, enclosing their share certificates to enable the Company to consolidate their holdings into single folio.
7. Members who hold shares in physical form are also requested to take immediate action to demat their shares to avail easy liquidity since trading of shares of the Company are under compulsory demat mode as per the regulation of SEBI and also to prevent any loss of physical Share Certificate.
8. Pursuant to Section 88 of the Companies Act, 2013 the Register of Members is required to be maintained in form MGT -1. In this respect, members holding shares in physical form are requested to inform/update the following additional details to the RTA, Maheshwari Datamatics Pvt. Ltd. of 6, Mangoe Lane, Kolkata – 700001, who have not yet so updated
 - a. E-mail id (of the first holder)
 - b. PAN no.
 - c. Unique Identification Number (AADHAR NO.)
 - d. Father's/Mother's/Spouse's Name
 - e. Occupation
 - f. In case the member is a minor, Name of the Guardian and date of birth of the Member
 - g. CIN no. (In case the member is a body corporate)
9. Members are requested to quote the Folio/Client ID & DP ID Nos. in all correspondences.
10. Electronic copy of the Annual Report for the financial year 2014-15 and the Notice of the Thirty Seventh Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Ballot Form (in lieu of e-voting) is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. However, members who have not yet registered their email address shall be furnished with physical copies of the aforesaid Notice in the permitted mode.

Members are also informed that the Notice of the Thirty Seventh Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Ballot Form (in lieu of e-voting) as well as the Annual Report for the Financial Year 2014-15 shall also be available on the website of the Company viz. www.jaibalajigroup.com.
11. Members are requested to bring their copy of Annual Report at the meeting.
12. All the documents referred to in the accompanying notice are available for inspection by the members at the Registered Office of the Company on all working days (except Saturdays and Sundays), between 11:00 A.M. to 1:00 P.M. upto the conclusion of this Annual General Meeting.
13. Members seeking further information on the Accounts or any other matter contained in the Notice are requested to write to the Company at least 7 (Seven) days before the meeting so as to enable the Company to make available relevant information at the meeting.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in demat mode are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in

physical mode can submit their PAN details to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Private Limited, 6 Mangoe Lane, Kolkata – 700 001.

15.a) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and amendments made thereto, and Clause 35B of the Listing Agreement with the Stock Exchange, the Company is pleased to inform that *the business as stated in the notice may be transacted through electronic voting system from a place other than the venue of the meeting i.e. remote e-voting and the Company is providing facility for voting by electronic means* through e-voting services as provided by the Central Depository Services (India) Limited (CDSL). **The detailed process for exercising the e-voting facility is enclosed and is being sent as a part of the Notice. Members are requested to carefully read the instructions of e-voting before exercising their vote.**

b) The e-voting facility will be made available during the following period:

Commencement of e-voting: From 10:00 a.m. on Saturday, 26th September, 2015

End of e-voting: up to 5:00 p.m. on Monday, 28th September, 2015

Members' holding shares either in physical or dematerialized mode as on the cut-off date (i.e. the record date) viz. Wednesday, 23rd September, 2015 may exercise their vote electronically.

c) In case a person becomes a member of the Company after the dispatch of the Notice but on or before the cut-off date for e-voting i.e. Wednesday, 23rd September, 2015, he/she may write to the Registrar requesting for user id and password.

d) Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

e) Facility of voting through Ballot Paper shall also be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting. Members who have cast their vote by remote e-voting shall not be allowed to vote again at the meeting. However, members may attend the meeting and participate in the discussions, if any.

f) Proxies cannot vote through e-voting facility.

g) The voting rights of the members shall be one vote per paid up equity share, registered in the name of the shareholders/beneficial owners as on the cut-off date (i.e. the record date) being Wednesday, 23rd September, 2015.

h) The Board of Directors has appointed Ms. Premlata Soni, Practising Company Secretary, (Membership No. FCS: 4385), having its registered office at 55, Ezra Street, 2nd Floor, Room No. 4, Kolkata – 700 001, as the Scrutinizer to scrutinize the e-voting process (including the physical ballots received from members who don't have access to the remote e-voting process) and voting at the AGM in a fair and transparent manner.

i) In accordance with Clause 35B of the Listing Agreement, the Company is hereby enclosing a ballot form along with this report so as to enable the members who do not have access to e-voting facility to vote by sending their assent/dissent in writing in respect of the resolutions as set out in the Notice.

A duly completed form in all respects, stating assent/dissent should be sent by the member to the scrutinizer Ms. Pamlata Soni, Practising Company Secretary of 55, Ezra Street, 2nd Floor, Room No. 4, Kolkata – 700 001, on or before Monday, 28th September, 2015 (5:00 p.m.).

The ballot form is also available at the website of the Company i.e. www.jaibalajigroup.com

j) The scrutinizer shall after the conclusion of meeting count the votes casted at the meeting, thereafter unblock the votes casted by e-voting in the presence of at least 2 (Two) witnesses not in employment of the Company and within a period not exceeding 3 days from the conclusion of the meeting submit a consolidated report of voting (e-voting & ballot) of the total votes cast in favour or against, to the Chairman of the meeting, or person authorized by the Chairman to counter-sign the same. The Chairman of the meeting, or person authorized by the Chairman shall declare the results of the voting forthwith.

k) The results of e-voting will be communicated to the Stock Exchange where shares of the Company are listed viz. The Calcutta Stock Exchange Limited. Further, the results so declared along with the Scrutinizer's Report shall also be placed on the website of the Company as well on the website of CDSL immediately after declaration.

16.Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

Registered Office:
3, Bentinck Street,
Kolkata – 700 001

By Order of the Board
For **Chandi Steel Industries Limited**

Place : Kolkata
Date :31st August, 2015

sd/-
Seema Chowdhury
Company Secretary

Annexure to the Notice

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

Item No. 4

Ms. Ekta Agarwal, is a commerce graduate from Shri Shikshayatan College, Kolkata and an Associate member of the Institute of Company Secretaries of India (ICSI). She possesses rich experience in handling Company law, SEBI and Listing Agreement.

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Ekta Agarwal (DIN – 07158376), as an Additional Director (Category – Non-Executive Independent Director) of the Company with effect from 16th April, 2015, in terms of Sections 149 and 161(1) of the Companies Act, 2013 to hold office upto the date of this Annual General Meeting and further recommended her appointment based on the recommendation of the Nomination and Remuneration Committee as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 years from the date of her appointment, in terms of the provisions of Sections 149, 152 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made therein (including any statutory modification(s) or re-enactment (s)thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and the Listing Agreement with the Stock Exchange. The Board is highly optimistic that her association will render benefits to the company. Further, her knowledge will help the company in long run and will add value to the organisation.

Also, a notice in writing under Section 160 of the Companies Act, 2013, has been received from a member proposing the candidature of Ms. Ekta Agarwal for the office of an Independent Director of the Company.

The Company has received consent in writing from Ms. Ekta Agarwal to act as a Director of the Company along with the requisite disclosures and a declaration to the effect that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Ms. Ekta Agarwal fulfils the conditions specified under the Companies Act, 2013 and rules made there under for her appointment as an Independent Director of the Company.

The Board of Directors, therefore, recommend the Resolution under item no. 4 to be passed as an Ordinary Resolution by the Members.

Ms. Ekta Agarwal and her relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to her own appointment. None of the other Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 5

On the basis of the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 13th August, 2015, has approved the re-appointment of the Cost Auditors of the Company, Mondal & Associates, Proprietor Mr. Amiya Mondal, to conduct audit of the cost records of the Company and providing Cost Audit Report and all such reports, annexures, records, documents etc., for the financial year 2015-16, that may be required to be prepared and submitted by the Cost Auditors under applicable statute at a consolidated remuneration of Rs. 20,000/- (excluding applicable taxes and reimbursement of out-of-pocket expenses, if any.).

In terms of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors has to be approved by the Board and subsequently ratified by the members of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year 2015 -16.

The Board of Directors, therefore, recommend the Resolution under item no. 5 to be passed as an Ordinary Resolution by the members.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 6

Pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and amendments made thereto, from time to time, the Board can enter into specified Related Party Transactions in excess of the limits prescribed under the said rules, only with the Consent of the Members. Further, pursuant to revised Clause 49(VII) of the Listing Agreement with the Stock Exchange, the Company can enter into material related party transactions i.e. the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeding ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, only with the consent of the Members by means of a Special Resolution.

Further, pursuant to SEBI circular no. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014, all existing material related party contracts or arrangements as on that date which are likely to continue beyond 31st March, 2015, shall be placed for approval of the Members in the first General Meeting subsequent to 1st October, 2014. The Company has entered into certain material related party transactions with its related parties which are likely to continue beyond 31st March, 2015 and for which approval of the Members is sought by way of a Special Resolution.

The Company proposes to enter into transactions with its related parties, from time to time, subject to the approval of the Audit Committee and the Board, wherever required, on such terms and conditions as may be mutually agreed upon between the Company and its related parties within an annual limit and such transactions may qualify as material transactions. Details of the Related Parties are tabled herein below:

Name of the Related Party	Name of the Director or Key Managerial Personnel who is related	Nature of Relationship
Jai Balaji Industries Limited (JBIL)	Shri Sanjiv Jajodia Shri Gourav Jajodia	Shri Sanjiv Jajodia and Shri Gourav Jajodia are Promoter Directors of both the Companies and hold individually and along with their relatives more than 2 % of the paid-up share capital of JBIL.
Jai Salasar Balaji Industries Pvt. Ltd. (JSBIPL)	Shri Devendra Prasad Jajodia	Shri Devendra Prasad Jajodia is a Director and Member.
Balaji Ispat Udyog (BIU)	Shri Sanjiv Jajodia	Shri Sanjiv Jajodia is a proprietor of the firm

1) Nature, Material Terms, monetary value, and particulars of the contract or arrangement:

Nature of Contract/arrangement/transaction and estimated per annum monetary value of the same is stated in the resolution.

2) Any other information relevant or important for the members to take decision:

The Company enters /proposes to enter into related party transactions with the Bodies Corporate as per the table above, on an arms length basis and in ordinary course of business with the intention to further the Company's interest. Section 188 of the Companies Act, 2013 is not applicable to transactions entered into by the Company in its ordinary course of business and on an arms length basis. However as a matter of abundant precaution, the Board considers it suitable to take the consent of the members for the aforesaid related party transactions within the estimated limits.

The Board of Directors, therefore, recommend the Resolution under item no. 6 to be passed as a Special Resolution by the Members.

Except the aforesaid Promoter Directors and their relatives (to the extent of their shareholding interest in the Company), no other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Registered Office:
3, Bentinck Street,
Kolkata – 700 001

Place : Kolkata
Date :31st August, 2015

By Order of the Board
For **Chandi Steel Industries Limited**

sd/-
Seema Chowdhury
Company Secretary

Annexure to the notice pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges

Brief profile of Director Seeking Re-appointment at the Thirty Seventh Annual General Meeting

Name of Director	Shri Sanjiv Jajodia
Date of Birth	6 th September, 1963
Date of Appointment	20 th September, 1993
Qualification	B.com (Hons.)
Expertise in Specific functional area	Corporate Finance, Accounts, Taxation, Corporate Governance, Statutory Compliance, Planning, Systems & Procedures
Directorship held in other Public Companies	1) Jai Balaji Industries Limited 2) Nilachal Iron & Power Limited 3) Shri Sarvasarai Balaji Steels Limited 4) Enfield Suppliers Limited 5) Hari Management Limited 6) Jai Balaji Jyoti Steels Limited 7) Jai Balaji Shakti Cement Limited 8) Jai Balaji Energy (Purulia) Limited 9) Jai Balaji Steels (Purulia) Limited
Chairman / Member of the Committees of the Board of Directors of the Company	Nil
Chairman/Member of the Committees of the Board of Directors of other Public Companies in which he is a Director	Audit Committee – Nilachal Iron & Power Limited – Chairman Audit Committee – Jai Balaji Jyoti Steels Limited – Chairman
No. of Equity Shares held in the Company	1,447,498
Inter-se Relationships between Director	Shri Sanjiv Jajodia is the brother of Shri Devendra Prasad Jajodia and Shri Gourav Jajodia is his brother's son.

Brief profile of Director Seeking Appointment at the Annual General Meeting

Name of Director	Ms. Ekta Agarwal
Date of Birth	21 st March, 1991
Date of Appointment	16 th April, 2015
Qualification	B. Com (Hons.) and an Associate Member of the Institute of Company Secretaries of India (ICSI).
Expertise in Specific functional areas	Rich experience in handling Company Law, SEBI, Listing Agreement and legal matters.
Directorship held in other Public Companies	Nil
Chairman / Member of the Committees of the Board of Directors of the Company	Nil
Chairman/Member of the Committees of the Board of Directors of other Public Companies in which he/she is a Director	Nil
No. of Equity Shares held in the Company	Nil
Inter-se Relationships between Director	None

Process and manner of e-voting

A. In case of Members receiving Notice of the Annual General Meeting by email and who wish to vote using the e-voting facility:

- i) Email contains your user ID and password for e-Voting. Please note that this password is an initial password.
- ii) Log on to the e-voting website www.evotingindia.com
- iii) Now click on “Shareholders” tab to cast your votes.
- iv) Now select the Company’s name “Chandi Steel Industries Limited” from the drop down menu and click on “SUBMIT”
- v) Now Enter your User ID

For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
For Physical Form: Members should enter Folio Number registered with the Company.
- vi) Next enter the Image Verification as displayed and Click on Login.
- vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii) If you are a first time user, follow the steps given below:

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

- ix) After entering these details appropriately, click on “SUBMIT” tab.
- x) Members holding shares in Physical form will then reach directly to the Company selection screen.
- xi) Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xiii) Click on the EVSN for <Chandi Steel Industries Limited> to vote.
- xiv) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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

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

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

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

xx) Note for Non-Individual Shareholders and Custodians:

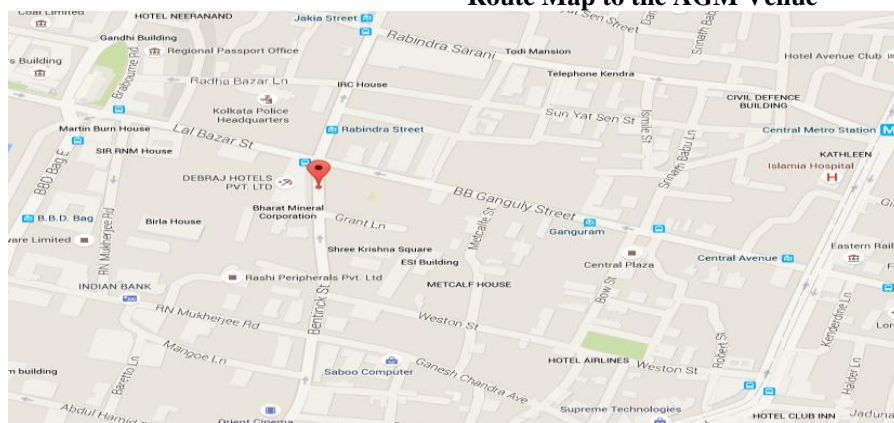
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of Members receiving Notice of the Annual General Meeting by post and who wish to vote using the e-voting facility:

Please follow all steps from Sr. No. (ii) to Sl. No. (xix) above, to cast your vote.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Route Map to the AGM Venue



3, Bentinck Street,
Kolkata – 700 001

DIRECTORS' REPORT

Dear Members

Your Directors are pleased to present the Thirty Seventh Annual Report together with the Audited Financial Statement of your Company for the financial year ended 31st March, 2015.

The summarised financial performance of your Company is presented hereunder:

FINANCIAL RESULTS

(₹ in Lacs)		
Particulars	Financial Year ended 31st March, 2015	Financial Year ended 31st March, 2014
Revenue from Operations (Net) and Other Income	6,083.26	4,390.13
Less: Expenses (other than Finance costs & Depreciation)	5,418.78	4,053.73
Finance costs	562.72	243.84
Depreciation	73.43	78.49
Total Expenses	6,054.93	4,376.06
Profit/(Loss) before exceptional and extraordinary items and tax	28.33	14.07
Less: Exceptional items	-	-
Profit/(Loss) before extraordinary items and tax	28.33	14.07
Less: Extraordinary items	-	-
Profit before Tax (PBT)	28.33	14.07
Less: Current Tax Expenses (Net)	9.67	3.74
Deferred Tax	8.55	4.24
Total Tax Expense	18.22	7.98
Profit after Tax (PAT)	10.11	6.09
Earnings per share (excluding extraordinary items) (of Rs. 10/- each)		
Basic and Diluted	0.10	0.06

FINANCIAL PERFORMANCE AND STATE OF COMPANY AFFAIRS

Total Revenue, comprising of sales and other income increased by 39 % i.e. to ₹ 6,083.26 lacs in 2014-15 as compared to ₹ 4,390.13 lacs in 2013-14. Profit before Tax (PBT) for the year was ₹ 28.33 lacs as compared to ₹ 14.07 lacs in the previous year. Profit after Tax (PAT) for the year was ₹ 10.11 lacs as compared to ₹ 6.09 lacs in the previous year.

The Company has retained a sum of ₹ 10.11 Lacs in the Statement of Profit and Loss and no sum have been transferred to the General Reserves.

In view of requirement of funds, considering the capital intensive nature of the industry, for business operations and working of the Company, your Directors regret their inability to recommend any dividend for the financial year 2014-15.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year there was no change in the nature of business of the Company.

SUBSIDIARIES, ASSOCIATES OR JOINT VENTURE COMPANIES

As on the date of reporting, your Company does not have any subsidiaries, associates or joint venture companies.

DETAILS OF DIRECTORS/KEY MANAGERIAL PERSONNEL

Directors

Appointment and/or re-appointment

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Sanjiv Jajodia (holding DIN – 00036339) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Based on the recommendation of the Nomination & Remuneration Committee and the Board and on ratification by the Members at the last Annual General Meeting of the Company held on 30th September, 2014, Shri Anshuman Dalmia (holding DIN - 00061573) and Shri Vishal Bagri (holding DIN - 00078949) and Shri Mahesh Kumar Keyal (holding DIN: 00079253), whose period of office was liable to determination of retirement of Directors by rotation and in respect of whom the Company had received a notice in writing from Members in terms of Section 160 of the Companies Act, were appointed as Independent Directors of the Company, not liable to retire by rotation, to hold office from the date of the last Annual General Meeting till 31st March, 2019, pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the rules made therein read with Schedule IV to the Companies Act, 2013.

Pursuant to Section 149 of the Companies Act, 2013 and clause 49(II)(A) of the Listing Agreement with the Stock Exchange read with SEBI Circular No. CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014, the Company has appointed Ms. Ekta Agarwal (DIN: 07158376 as an Additional Director (Category: Independent Woman Director) on the Board w.e.f. 16th April, 2015.

Your Directors recommend the appointment of Ms. Ekta Agarwal, as an Independent Director of the Company not liable to retire by rotation to hold office for a term of 5 years from her date of appointment.

A brief resume of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting is incorporated in the Notice calling the said meeting.

Key Managerial Personnel (KMP)

The Board of Directors of your Company, at its meeting held on 13th August, 2014, has designated the Managing Director, Chief Financial Officer and Company Secretary of the Company as KMP w.e.f. the said date. During the year under review, Ms. Prerna Sharma resigned from the Post of Company Secretary w.e.f 24th November, 2014 and Ms. Seema Chowdhury was appointed as a Company Secretary w.e.f 17th December, 2014.

STATEMENT OF DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All the Independent Directors of the company have given a declaration stating that they fulfil the criteria of independence pursuant to Section 149(6) of the Companies Act, 2013 and the same has been placed before the Board and taken on record.

A Formal Letter setting out the terms and conditions of appointment has been issued to all the Independent Directors as per the provisions of Companies Act, 2013 and clause 49(II)(B) of the amended Listing Agreement with the Stock Exchanges. The same has been hosted on the Company's website and is available on the weblink <http://www.jaibalajigroup.com/chandi-steel/letter-appointment.pdf>.

PERFORMANCE EVALUATION

Pursuant to Clause 49 of the Listing Agreement, a formal evaluation was carried out by the Board of its own performance and that of its committees as well as individual directors, during the year under review,

The evaluation of Boards own performance covered various aspects such as its composition in compliance with the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, frequency of meetings held during the year and matters taken up thereat, ability of the Board to take uniform decisions for the betterment of your Company taking into consideration the individual views of all the Directors comprising it, its wisdom and judgement to help the Company prosper etc. The general superintendence, direction and management of the affairs and business of your Company are vested in the Board of Directors. A good Board acts as a catalyst in fostering growth and play a major role in implementing best Corporate Governance practices. That is what the Board of your Company fosters to achieve.

The Board also evaluated the performance of all its Committees which are formed for better governance and accountability and to deal with specific areas/concerns within the terms of reference of the respective committees that need a closer view.

A separate exercise was carried out to evaluate the performance of individual directors, including independent directors taking into consideration various aspects such as attendance and level of participation of the individual directors at the meetings of the Board and committees thereof and the general meetings, contribution in long term strategic planning, professional conduct and independence, level of commitment etc.

The Directors expressed their satisfaction over the evaluation process and results thereof.

MEETINGS OF THE BOARD HELD DURING THE YEAR

During the financial year 2014-15, 8 (Eight) meetings of the Board were held viz., 27th May, 2014; 10th July, 2014, 13th August, 2014; 30th August, 2014, 30th September, 2014, 14th November, 2014, 17th December, 2014 and 12th February, 2015. The maximum time gap between two consecutive Board meetings did not exceed 120 (One Hundred and Twenty) days and the necessary quorum was present at all the meetings.

The Composition of the Board and the number of board meetings attended by each Director during the financial year 2014-15 has been provided in the Corporate Governance Section forming part of this report.

BOARD COMMITTEES

As a matter of good governance and for better accountability and to deal with specific areas/concerns that need a closer view, various board level committees have been constituted under formal approval of the Board. The Board periodically evaluates the performance of all the committees. All observations, recommendations and decisions of the Committees are placed before the Board for consideration and approval.

Audit Committee

The Board has a qualified and independent Audit Committee acting as a link between the Management, the Statutory Auditor and Internal Auditor, the Cost Auditor and the Board of Directors.

As on 31st March, 2015, the Committee consists of 3 Members, comprising:

Name of the Members	Category
Shri Anshuman Dalmia (Chairman)	Non-Executive Independent Director
Shri Vishal Bagri	Non-Executive Independent Director
Shri Mahesh Keyal	Non-Executive Independent Director

Ms. Seema Chowdhury, Company Secretary acts as the Secretary to the Committee. All the Members of the Committee are financially literate and have insight to interpret and understand financial statements.

There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

Other Committee

The details of other Board level Committees, including the compositions, terms of reference and the number of meetings of respective committees attended by each Committee Member during the financial year 2014-15 has been provided in the Corporate Governance Section forming part of this report.

NOMINATION AND REMUNERATION POLICY

The Company has in place a Nomination and Remuneration policy duly adopted and approved by the Board at its meeting held on 27th May, 2014, setting out the terms and conditions for appointment and payment of remuneration to the Directors and Key Managerial Personnel (KMP) and other Senior Management Personnel including criteria for determining qualifications, positive attributes, independence of a director etc. The said policy has been made available on the website of the Company www.jaibalajigroup.com under the weblink <http://www.jaibalajigroup.com/chandi-steel/nomination-remuneration-policy.pdf>.

VIGIL MECHANISM

In compliance with Section 177(9) of the Companies Act, 2013 and rules made there under read with SEBI Circular No. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014 on amendments to Clause 49 of the Equity Listing Agreement (effective from 1st October, 2014), the Board of Directors at their meeting held on 27th May, 2014, has approved and adopted a Whistle Blower Policy for Directors and Employees to report their genuine concerns or grievances against any wrong doing in your Company as well as provide them adequate safeguards against victimisation. The employees and directors shall report to the Audit Committee/Chairman of Audit Committee instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy including:

- a) Manipulation of the data/records of the Company
- b) Misuse of company's properties, assets and resources
- c) Abuse of authority
- d) Leaking confidential information of the Company
- e) Violation of the Company's code of conduct or any rules/regulations/laws
- f) Forgery/fraud/corruption/bribery
- g) Physical/emotional violence
- h) Any other matter that might cause financial/non-financial loss to the director/employee of the Company or might impact their goodwill

The said policy has also been made available on the website of the Company viz., www.jaibalajigroup.com under the weblink <http://www.jaibalajigroup.com/chandi-steel/whistle-blower-policy.pdf>

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3) and 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

- i. In the preparation of annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2015 and of the loss of the Company for the year ended on that date;
- iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts for the financial year ended 31st March, 2015, have been prepared on a going concern basis;
- v. Internal financial controls to be followed by the Company were laid down and that such internal financial controls are adequate and were operating effectively;
- vi. Proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Manner of dealing with related party transactions is provided in the Corporate Governance Section of this Report. The contracts/arrangements/transactions entered into by the Company with the related parties during the financial year under reporting were in ordinary course of business and were negotiated on an arms length basis with the intention to further the Company's interest.

However, the Company has entered into certain transactions with its related parties, pursuant to Section 188(1) of the Companies Act, 2013, which are on an arms length basis and in ordinary course of business and qualify as material transaction as per clause 49(VI)(C) of the Listing Agreement.

Details of such material transactions with related parties are given in form AOC-2 which is appended to this report as Annexure "A".

The Company has also obtained and extended corporate guarantees from/to its related parties against financial assistances availed from banks in the form of loans. Such transactions are not covered under Section 188(1) of the Companies Act, 2013 but qualify as material as per clause 49(VI)(C) of the Listing Agreement.

Necessary approvals of the Audit Committee, wherever applicable, and the Board have been obtained for the aforesaid material transactions and the same shall be placed for approval of the members at the ensuing Annual General meeting pursuant to SEBI circular no. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014. However, these transactions do not have any potential conflict with the interests of the Company.

The Company also has in place a policy on materiality of related party transactions and on dealing with such transactions, duly approved and adopted by the Board. The same is hosted on the Company's website viz., www.jaibalajigroup.com under the weblink <http://www.jaibalajigroup.com/chandi-steel/related-party-policy.pdf>.

RISK MANGEMENT

Your Company endeavors to develop appropriate risks mitigation measures so as to address the threats posed by the internal as well as external which affects or might affect the growth. The manufacture of steel involves steps that are potentially hazardous if not executed with due care and attention. The Company's business is subject to numerous laws, regulations and contractual commitments relating to health, safety and the environment in which it operates. Your Company has always taken extra efforts to ensure workplace safety in the factories. As a matter of managing risks, it is necessary to identify the potential risks that might interrupt the functioning of the business and can be a hindrance in growth. The Company adopts systematic approach to mitigate risks associated with accomplishment of objectives, operations, revenues and regulations. Your Company believes that this would ensure mitigating steps proactively and help to achieve stated objectives. While considering risks we consider activities at all levels of the organization, viz., Enterprise level; Division level; Business Unit level etc. Your Company has in place a Risk management Policy under the formal approval of the Board detailing the risk management process adopted by the Company.

INTERNAL FINANCIAL CONTROL

Your Company has laid down an adequate Internal Control System, commensurate with the size, scale and complexity of its operations to ensure orderly and efficient conduct of its business including adherence to corporate policies, safeguarding of assets, prevention of frauds and errors, accuracy and completeness of accounting records and preparation of reliable financial information. Internal Control is a part of the day to day management and administration of your Company. The Internal Audit functions serve to provide independent and objective assurance on the adequacy and effectiveness of the organisation's risk management, control and governance processes and assesses opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the organisation and follows up on the implementation of the agreed audit recommendations.

The Audit Committee of your Company comprises of eminent professionals who are well versed with the financial management. The Internal Audit function submits detailed reports periodically to the management and the Audit Committee. The Audit Committee actively reviews the adequacy and effectiveness of the internal audit functions of your Company and monitors the implementation of the same. The Committee also calls for comments of the internal and statutory auditors about the Company's internal controls, scope of audit as and when required which gives them an additional insight on the assessment of such controls. Such adequate internal control system helps in identification of potential operation processes.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. Rashmi & Co., Chartered Accountants, who were appointed as Auditors of your Company in the last Annual General Meeting held on 30th September, 2014 retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re- appointment. Your Company has received a confirmation from M/s. Rashmi & Co., Chartered Accountants that their re-appointment, if made, will be within the criteria provided in Section 139 and 141 of the Companies Act 2013. The Audit Committee and the Board of Directors of your Company recommend the appointment of M/s. Rashmi & Co., Chartered Accountants, as the Auditors of your Company for the aforesaid period. Therefore, Members are requested to consider the appointment of M/s. Rashmi & Co., Chartered Accountants, as Auditors of your Company to hold office from the conclusion of the ensuing AGM until the conclusion of the next Annual General Meeting on such remuneration as may be fixed subsequently by the Board of Directors.

The Auditors' Report to the shareholders for the year under review does not contain any qualification, reservation, adverse remark or disclaimer except for the delay in payment of some statutory dues which was due to the financial

constraints being faced by the Company. The observations made in the Auditors' Report read with Notes to Accounts are self-explanatory and therefore, do not call for any further elucidation.

Cost Auditors

The Board of Directors has appointed M/s. Mondal & Associates, Proprietor Mr. Amiya Mondal as the Cost Auditor of your Company in accordance with the provisions of Sections 141 and 148 of the Companies Act, 2013 read with the Companies (cost records and audit) Rules, 2014 and amendments thereof, from time to time, to carry out audit of cost records of the Company for the financial year 2015-16 at a consolidated remuneration of ₹20,000/- (excluding applicable taxes) which shall be subject to ratification by the Members at the ensuing Annual General Meeting of your Company.

Your Company has filed the Cost Audit Report for the financial year 2013-14 with the Registrar of Companies, Ministry of Corporate Affairs in the prescribed form.

Internal Auditor

Your Company has appointed M/s. D. Sikaria & Co. as the Internal Auditor for the Financial Year 2015-16 in compliance with Section 138 of the Companies Act, 2013 and rules made thereunder to formulate the scope, functioning, periodicity and methodology for conducting internal audit. The internal audit report is tabled periodically at the meeting of the audit committee for review and approval.

Secretarial Auditor and Audit

In compliance with the provisions of Section 204 of the Companies Act, 2013, the Board of Directors of your Company, at its meeting held on 13th August, 2014, has appointed Ms. Priti Todi, Practising Company Secretary, Partner of P.S. & Associates, as the Secretarial Auditor of your Company to conduct the Secretarial Audit. The Secretarial Audit Report furnished by Ms. Priti Todi forms part of this report as Annexure "B".

The Auditors' Report to the shareholders for the year under review does not contain any qualification, reservation, adverse remark or disclaimer except for the appointment of the Women Director, which the Company has now complied with. The observations made in the Auditors' Report are self-explanatory and therefore, do not call for any further elucidation.

EXTRACT OF ANNUAL RETURN

An Extract of the Annual Return of the Company in form MGT-9 pursuant to Section 92((3) and 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules 2014 is annexed hereto and forms part of this report as Annexure "C".

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of Loans, Guarantees and Investments as on the financial year ended 31st March, 2015 as covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

DEPOSITS

During the year under review, your Company has not accepted any deposits from the public. Further, no amount of deposit remained unpaid or unclaimed at the end of the year i.e. as on 31st March, 2015. Subsequently, no default has been made in repayment of deposits or payment of interest thereon during the year.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

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

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

Your Company has always strived to maintain highest ethical standards and practice sound Corporate Governance. The Board of Directors of your Company strive to take necessary actions to optimize value for various stakeholders and meet their expectations.

Your Company is in compliance with clause 49 of the Listing Agreement with the Stock Exchanges. A Separate Section on Corporate Governance and a certificate from the Auditors of your Company regarding compliance with the requirements of Corporate Governance as stipulated under the said clause, and Management Discussion and Analysis are annexed to this report.

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

The relevant information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure “D” forming part of this Annual Report.

PARTICULARS OF EMPLOYEES AND OTHER RELATED DISCLOSURES

The details pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this report as Annexure “E”.

Your Company does not have any employee whose particulars are required to be furnished under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their sincere gratitude to its customers, dealers, suppliers, investors, members, financial institutions/ banks, Central Government, State Government, all regulatory and government authorities and all other business associates for their continued support and co-operation extended by them to the Company.

Your Directors express deep appreciation for the excellent contribution of its employees, workers, staff and executives of the Company by means of their sincere and dedicated hard work during the year under review which has been instrumental to the growth of your Company.

For and on behalf of the Board

Place: Kolkata
Date: 26th May, 2015

Devendra Prasad Jajodia
Chairman & Managing Director
(DIN: 00045166)

Form AOC – 2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2015, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

Details of material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2015 are as follows:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts /arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any*	Amount paid as advances, if any (in Lacs)
(a)	(b)	(c)	(d)	(e)	(f)
Jai Salasar Balaji Industries Private Limited (JSBIPL) (JSBIPL being a Private Company in which the Directors and/or relatives of Directors of CSIL are Directors and/or Members of JSBIPL)	Purchase/sale of goods/products in ordinary course of business	Ongoing	Based on transfer pricing guidelines	15.04.2004	Nil

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and

I. REGISTRATION AND OTHER DETAILS:	
i) CIN:-	L13100WB1978PLC031670
ii) Registration Date	09.09.1978
iii) Name of the Company	Chandi Steel Industries Limited
iv) Category / Sub-Category of the Company	Public Limited Company Limited by Shares
v) Address of the Registered office and contact details	3, Bentinck Street, Kolkata - 700 001 Phone: (91) (33) 2248 8173 / 9808 Fax: (91) (33) 2243 0021 Email: cschandisteel@jaibalajigroup.com Website: www.jaibalajigroup.com
vi) Whether listed company - Yes / No	Yes (Listed with The Calcutta Stock Exchange Limited)
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Maheshwari Datamatics Private Limited 96, Mangoe Lane, 2nd Floor, Kolkata - 700 001 Phone: (91) (33) 2243 5029 / 5809 Email: mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-			
Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Steel	24103	80.65%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
Sl. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
NIL					

i) Category-wise Share Holding

[illegible]

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2014]				No of Shares held at the end of the year [As on 31-March-2015]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Indian	5,174,100	58,300	5,232,400	49.64	5,174,100	58,300	5,232,400	49.64	0.00
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	10,702	149,900	160,602	1.52	10,702	149,900	160,602	1.52	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	106,300	0	106,300	1.01	106,300	0	106,300	1.01	0.00
c) Others (Specify)									
Non Resident Indians									
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies-D R									
Sub-total(B)(2):-	5,291,102	208,200	5499302	52.18	5,291,102	208,200	5,499,302	52.18	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5,291,102	208,200	5499302	52.18	5,291,102	208,200	5,499,302	52.18	0.00
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	10,331,800	208,200	10,540,000	100.00	10,331,800	208,200	10,540,000	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year as on 01.04.2014			shareholding at the end of the Year as on 31.03.2015			% change in share holding during the year
		No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SANJIV JAJODIA	1,447,498	13.73	0.00	1,447,498	13.73	0.00	0.00
2	GAURAV JAJODIA	600,000	5.69	0.00	600,000	5.69	0.00	0.00
3	SANGEETA JAJODIA	600,000	5.69	0.00	600,000	5.69	0.00	0.00
4	AASHISH JAJODIA	556,500	5.28	0.00	556,500	5.28	0.00	0.00
5	KANCHAN JAJODIA	511,500	4.85	0.00	511,500	4.85	0.00	0.00
6	ADITYA JAJODIA	454,500	4.31	0.00	454,500	4.31	0.00	0.00
7	RAJIV JAJODIA	423,000	4.01	0.00	423,000	4.01	0.00	0.00
8	DEVENDRA PRASAD JAJODIA	300,000	2.85	0.00	300,000	2.85	0.00	0.00
9	SHASHI JAJODIA	147,000	1.39	0.00	147,000	1.39	0.00	0.00
10	SHRI SANKATMOCHAN STEEL PRIVATE LIMITED	400	0.00	0.00	400	0.00	0.00	0.00
11	SHRI KESHVINANDAN TRADE PRIVATE LIMITED	300	0.00	0.00	300	0.00	0.00	0.00
17	Total	5,040,698	47.82	0.00	5,040,698	47.82	0.00	0.00

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

Sl. No.	Name of the Promoter	Shareholding at the beginning of the Year		Change during the year			Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	Date	Reason	No. of Shares	No. of shares	% of total Shares of the company
	During the Financial Year 2014-15, there has been no change in the shareholding of the Promoter/Promoter Group of the Company.							

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year		Change during the year			Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	Date	Reason	No. of Shares	No. of shares	% of total Shares of the company
1	BHAVSAGAR VYAPAAR PRIVATE LIMITED							
	At the beginning of the year	507,300	4.81					
				Nil movement during the year				
	At the End of the year						507,300	4.81
2	UMANG WEBTECH PRIVATE LIMITED							
	At the beginning of the year	502,700	4.77					
				Nil movement during the year				
	At the End of the year						502,700	4.77
3	NAYAN IMPEX PRIVATE LIMITED							
	At the beginning of the year	500,000	4.74					
				Nil movement during the year				
	At the end of the year						500,000	4.74
4	DARSHAN BARTER PRIVATE LIMITED							
	At the beginning of the year	482,500	4.58					
				Nil movement during the year				
	At the End of the year						482,500	4.58
5	HORA VANIJYA PRIVATE LIMITED							
	At the beginning of the year	475,000	4.51					
				Nil movement during the year				
	At the End of the year						475,000	4.51
6	KANAD EXIM LTD.							
	At the beginning of the year	450,000	4.27					
				Nil movement during the year				
	At the End of the year						450,000	4.27
7	INDUS LIFE ADVISORY & BROKING PRIVATE LIMITED							
	At the beginning of the year	429,800	4.08					
				Nil movement during the year				
	At the End of the year						429,800	4.08
8	MARUTI STOCKFIN PVT. LTD*							
	At the beginning of the year	84,000	0.80					
				27.10.2014	Transfer	85,000	169,000	1.60
				10.02.2015	Transfer	200,000	369,000	3.50
	At the End of the year							
9	VATSALYA DEALERS PVT. LTD							
	At the beginning of the year	350,700	3.33					
				Nil movement during the year				
	At the End of the year						350,700	3.33
10	HARSH SECURITIES PRIVATE LIMITED							
	At the beginning of the year	350,000	3.32					
				Nil movement during the year				
	At the End of the year						350,000	3.32
11	GEMINI GOODS AND DEALERS PRIVATE LIMITED**							
	At the beginning of the year	345,200	3.28					
				Nil movement during the year				
	At the End of the year						345,200	3.28

*Not in the list of Top 10 shareholders as on 01-04-2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2015.

** Ceased to be in the list of Top 10 shareholders as on 31-03-2015. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01-04-2014.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of		Change during the year			Cumulative Shareholding during	
		No. of shares	% of total Shares of the company	Date	Reason	No. of Shares	No. of shares	% of total Shares of the company
1	Devendra Prasad Jajodia (Managing Director)							
	At the beginning of the year	300,000	2.85					
	At the End of the year				Nil movement during the year		300,000	2.85
2	Shri Sanjiv Jajodia (Non-Executive Promoter Director)							
	At the beginning of the year	1,447,498	13.73					
	At the End of the year				Nil movement during the year		1,447,498	13.73
3	Shri Gourav Jajodia (Non-Executive Promoter Director)							
	At the beginning of the year	600,000	5.69					
	At the End of the year				Nil movement during the year		600,000	5.69
4	Shri Vishal Bagri (Non-Executive Independent Director)							
	At the beginning of the year	0	0.00					
	At the End of the year				Nil movement during the year		0	0.00
5	Shri Anshuman Dalmia (Non-Executive Independent Director)							
	At the beginning of the year	0	0.00					
	At the End of the year				Nil movement during the year		0	0.00
6	Shri Mahesh Kumar keyal (Non-Executive Independent Director)							
	At the beginning of the year	0	0.00					
	At the End of the year				Nil movement during the year		0	0.00
7	Shri Susanta Sarkar (Executive Director)							
	At the beginning of the year	0	0.00					
	At the End of the year				Nil movement during the year		0	0.00
8	Smt. Seema Chowdhury (KMP, being Company Secretary)							
	At the beginning of the year	0	0.00					
	At the End of the year				Nil movement during the year		0	0.00
9	Shri Vijay Singh (KMP, being Chief Financial Officer)							
	At the beginning of the year	0	0.00					
	At the End of the year				Nil movement during the year		0	0.00

V. INDEBTEDNESS

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

		Secured Loans excluding deposits				Unsecured Loans	Deposit	Total Indebtedness
	Cash Credit		JBJSL (TL)	JBJSL (GI)	Deferred Payment			
Indebtedness at the beginning of the financial year (as on 01.04.2014)								
i) Principal Amount	98,854,613.23	98,854,613.23	260,000,000.00	64,591,716.00	801,430.39	325,393,146.39	-	424,247,759.62
ii) Interest due but not paid	-	-	-	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	-	-	-	-	-
Total (i+ii+iii)	98,854,613.23	98,854,613.23	260,000,000.00	64,591,716.00	801,430.39	325,393,146.39	-	424,247,759.62
Change in Indebtedness during the financial year								
1. Addition	2,599,772.46	2,599,772.46	60,000,000.00	-	2,300,000.00	62,300,000.00	-	64,899,772.46
2. Reduction	-	-	-	47,074,691.00	642,167.21	47,716,858.21	-	47,716,858.21
Net Change	2,599,772.46	2,599,772.46	60,000,000.00	(47,074,691.00)	1,657,832.79	14,583,141.79	-	17,182,914.25
Indebtedness at the end of the financial year (as on 31.03.2015)								
i) Principal Amount	101,454,385.69	101,454,385.69	320,000,000.00	17,517,025.00	2,459,263.18	339,976,288.18	-	441,430,673.87
ii) Interest due but not paid		-		-	-	-	-	-
iii) Interest accrued but not due		-		-	-	-	-	-
Total (i+ii+iii)	101,454,385.69	101,454,385.69	320,000,000.00	17,517,025.00	2,459,263.18	339,976,288.18	-	441,430,673.87

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTID/ Manager		Total Amount
		Shri Devendra Prasad Jajodia (Managing Director)	Shri Susanta Sarkar (Professional Executive Director)	
1	Gross salary	3,600,000	133,000	3,733,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
	Commission as % of profit	-	-	-
4	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	3,600,000	133,000	3,733,000
	Ceiling as per the Act	In accordance with Schedule V of the Companies Act, 2013		

B. Remuneration to Other Directors:

I.	Independent Directors:	Name of Directors			Total
	Particulars of Remuneration				
		Shri Vishal Bagri	Shri Anshuman Dalmia	Shri Mahesh Kumar Keyal	
1	Fee for attending board / committee meetings	Nil	Nil	Nil	Nil
2	Commission				
3	Others, please specify				
	Total (1)				

II. Other Non-Executive/ Nominee Directors					
		Shri Sanjiv Jajodia	Shri Gourav Jajodia		Total Amount
1	Fee for attending board / committee meetings	Nil	Nil		
2	Commission	Nil	Nil		
3	Others, please specify	-	-		
	Total (2)				
	Total (B)=(1+2)	Nil	Nil		
	Total Managerial Remuneration (A+B)				3,733,000
	Overall Ceiling as per the Act	In accordance with Schedule V of the Companies Act, 2013			

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Smt. Seema Chowdhury	Shri Vijay Singh	Total
	Gross salary	531,672	222,732	754,404
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
	Stock Option	-	-	-
	Sweat Equity	-	-	-
	Commision	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
	Others, please specify	-	-	-
	Total (A)	531,672	222,732	754,404

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

INFORMATION PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014, PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015:

A. Conservation of energy:

- a) Steps taken or impact on conservation of energy and steps taken by the Company for utilizing alternate sources of energy

Continuous monitoring /optimization of energy conservation are undertaken at plant level.

- b) Capital investment on energy conservation equipment:

No Capital Investment has been made on energy conservation equipment

B. Technology absorption:

- i. Efforts made towards technology absorption:

Continuous efforts are being made to streamline production process, improve machine availability and performance and to achieve highest standards, of quality and quantity benchmark.

- ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

As a result of above efforts, there was improvement in product quality, better and easier availability of materials and saving in process cost.

- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- | | | |
|---|---|----------------|
| a. The details of technology imported | : | Nil |
| b. The year of import | : | Not Applicable |
| c. Whether the technology been fully absorbed | : | Not Applicable |
| d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof | : | Not Applicable |

- iv. Expenditure incurred on Research and Development: NIL

C. Foreign exchange earnings and outgo:

Details of Foreign Exchange earned in terms of actual inflows and outgo in terms of actual outflows during the year under reporting:

(₹ in Lacs)		
Particulars	2014-15	2013-14
Inflows	733.11	747.19
Outgo	Nil	Nil

DETAILS PURSUANT TO SECTION 197(12) READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

i) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Sl. No.	Name of Director	Remuneration* (Rs.)	Median Remuneration of Employees (Rs.)	Ratio
1.	Shri Devendra Prasad Jajodia	36,00,000	99,552	36.16 times
2.	Shri Sanjiv Jajodia	0		0
3.	Shri Gourav Jajodia	0		0
4.	Shri Anshuman Dalmia	0		0
5.	Shri Vishal Bagri	0		0
6.	Shri Mahesh Keyal	0		0
7.	Shri Susanta Sarkar	1,33,000		1.34 times

ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

There has been no increase in the remuneration of Directors and the Company Secretary of the Company in the financial year. However the remuneration of the Chief Financial Officer increased by 15.83% during the year under review.

iii) The percentage increase in the median remuneration of employees in the financial year:

The median remuneration of employees increased by 14.43% in the financial year.

iv) The number of permanent employees on the rolls of the Company:

There were 64 employees on the rolls of the Company as on 31st March, 2015.

v) The explanation on the relationship between average increase in remuneration and Company performance:

There has been no increase in the average remuneration of the employees during the year under review.

vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

		(₹ in lakhs)
Particulars	Amount	
Aggregate remuneration of KMP in Financial Year 2014-15:	43.54	
Revenue	6083.26	
Remuneration of KMPs (as % of revenue)	0.71	

vii) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Sl. No.	Particulars	31 st March, 2015	31 st March, 2014	% Increase
1.	Market capitalization (Rs.)	1054.00 lacs	1054.00 lacs	Nil
2.	Price earnings ratio (PE) (Market Price/EPS)	100	166.67.	Nil

Note: The shares of the Company are listed on The Calcutta Stock Exchange and are not traded as a result the nominal value as on 31st March, 2015 & 31st March, 2014 has been taken as the Market Price.

Percentage increase or decrease in market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Market Share Price as on 31 st March, 2015	Rs. 10.00
Rate at which the Company came out with the initial public offer in 2003	Rs. 10.00
% increase in market price of the shares over the price at the time of initial public offer	Nil

viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Sl. No.	Particulars	% Increase
1.	Average increase in the salaries of employees other than the managerial personnel	Nil
2.	Average increase in the remuneration of managerial personnel	Nil

There are no exceptional circumstances for increase in the managerial remuneration.

ix) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company:

(` in lakhs)

Particulars of Remuneration	Key Managerial Personnel		
	Managing Director	Company Secretary	Chief Financial Officer
Aggregate remuneration of KMP in Financial Year 2014-15:	36,00,000	5,31,672	2,22,732
Revenue	6083.26		
Remuneration of KMPs (as % of revenue)	00.59	0.09	0.04

x) The key parameters for any variable component of remuneration availed by the Directors:

None of the Directors avail any variable component of remuneration.

xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:

During the year under review no employee received remuneration in excess of the highest paid Director

xii) It is hereby confirmed that the remuneration is as per the remuneration policy of the Company.

Report of the Directors on Corporate Governance

Corporate Governance is a means of conducting and administering a business with a firm commitment to values, while meeting stakeholders' expectations. It is a journey for constantly improving sustainable value creation and is an upward moving target. The essence of Good Corporate Governance is taking ethical business decisions and conducting business in a manner that is beneficial to the interest of both the Company and its Stakeholders.

The Company's compliance of Corporate Governance in terms of Clause 49 of the Equity Listing Agreement and amendments thereof is presented in the subsequent sections of this report. This report gives the factual position as at the end of the financial year ended 31st March, 2015. Wherever the context so requires for a better understanding of the situation, the developments post the period have also been covered.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company has always strived to articulate highest standards of transparency, accountability, integrity and law abiding behaviour.

Good Corporate Governance has always been an integral part of the Company's day to day activities. We, at Chandi Steel Industries Limited aim to encourage the observance of these standards to protect and promote the interest of shareholders, employees, customers, suppliers and creditors and are guided by the core principles of transparency, accountability and responsibility.

The Company also endeavours compliance of laws in all facets of its operations and constantly strives to adopt best practices on Corporate Governance.

2. BOARD OF DIRECTORS

The Board of the Company has a strength of 7 (Seven) Directors as on 31st March, 2015. It is headed by Shri Devendra Prasad Jajodia, a Promoter Executive Director. The general superintendence, direction and management of the affairs and business of the Company are vested on the Board of Directors. The Board periodically evaluates the need for change in its composition and size. The non- executive directors including independent directors are person of high integrity and are vastly competent and experienced and they take a constructive part in the Board and its Committee Meetings. They act as a catalyst in fostering growth and play a major role in implementing best Corporate Governance practices.

■ Composition and Category of Directors

The detailed composition and Category of the Board as on 31st March, 2015 is tabled below:

Name of Directors	Category
Shri Devendra Prasad Jajodia	Promoter Executive Director (Chairman & Managing Director)
Shri Sanjiv Jajodia	Promoter Non-Executive Director
Shri Gourav Jajodia	Promoter Non-Executive Director
Shri Vishal Bagri	Non-Executive Independent Director
Shri Anshuman Dalmia	Non-Executive Independent Director
Shri Mahesh Kumar Keyal	Non-Executive Independent Director
Shri Susanta Sarkar	Professional Executive Director

Pursuant to Section 149 of the Companies Act, 2013 and clause 49(II)(A) of the Listing Agreement with the Stock Exchange read with SEBI Circular No. CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014, the Company has appointed Ms. Ekta Agarwal (DIN: 07158376) as Additional Director (Category: Non-Executive Independent Woman Director) w.e.f. 16th April, 2015.

All the Independent Directors of the Company satisfy the criteria of independence in terms of Section 149 of the Companies Act, 2013 and clause 49(II)(B) of the Listing Agreement and have filed their consent and other relevant declarations under the Act as well as the Listing Agreement.

A Formal Letter setting out the terms and conditions of appointment has been issued to all the Independent Directors as per the provisions of Companies Act, 2013 and clause 49(II)(B) of the amended Listing

Agreement with the Stock Exchange. The same has been hosted on the Company's website and is available on the weblink <http://www.jaibalajigroup.com/chandi-steel/letter-appointment.pdf>

As required by Clause 49(VIII)(E) of the Listing Agreement, the details of the directors seeking appointment/re-appointment at the ensuing Annual General Meeting are given in the notice to the said meeting.

As per declarations received by the Company, none of the independent directors/non-promoter directors are related to each other or to the promoters. Further, Shri Sanjiv Jajodia and Shri Devendra Prasad Jajodia are related as brothers and Shri Gourav Jajodia is son of Shri Devendra Prasad Jajodia.

■ Particulars of Attendance at Board Meetings and last Annual General Meeting

During the financial year 2014-15, 8 (Eight) meetings of the Board were held viz., 27th May, 2014; 10th July, 2014, 13th August, 2014; 30th August, 2014, 30th September, 2014, 14th November, 2014, 17th December, 2014 and 12th February, 2015. The maximum time gap between two consecutive board meetings did not exceed one hundred and twenty days and the necessary quorum was present at all the meetings.

The attendance of each Director at the Board meetings held during the financial year 2014-15 and at the last Annual General Meeting held on 30th September, 2014 are as follows:

Name of Directors	No. of Board Meetings Attended	Attendance at the last AGM
Shri Devendra Prasad Jajodia	8	Yes
Shri Sanjiv Jajodia	8	Yes
Shri Gourav Jajodia	8	Yes
Shri Vishal Bagri	8	-
Shri Anshuman Dalmia	8	Yes
Shri Mahesh Kumar Keyal	8	Yes
Shri Susanta Sarkar	8	-

The Company Secretary was present at all meetings of the Board of Directors held during the financial year 2014-15 and at the last Annual General Meeting.

■ Number of other Directorship and Committee Membership/Chairmanship

The Number of directorship and committee membership/chairmanship held by each director in other companies is tabled below:

Name of Directors	Number of directorship held in other companies		Number of committee position held in Public Limited Companies ***	
	Public Limited Companies*	Others**	Committee Membership(s)	Committee Chairmanship(s)
Shri Devendra Prasad Jajodia	1	2	-	-
Shri Sanjiv Jajodia	9	1	-	2
Shri Gourav Jajodia	3	-	1	-
Shri Vishal Bagri	1	3	1	-
Shri Anshuman Dalmia	-	5	-	-
Shri Mahesh Kumar Keyal	-	4	-	-
Shri Susanta Sarkar	-	-	-	-

*Includes alternate directorship in public limited companies (excluding Chandi Steel Industries Limited) and directorship in private companies that are either holding or subsidiary of a public company.

**Includes directorship of any private limited companies (including alternate directorship), companies incorporated outside India and companies under section 8 of the Companies Act, 2013.

*** Membership(s)/Chairmanship(s) of only the Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies (excluding Chandi Steel Industries Limited) have been considered.

None of the directors serve as an independent director in more than seven listed companies. Further, none of the directors serving as a whole time director in any listed company serves as an independent director in more

than three listed companies. Further, none of the directors on the Board is a member of more than 10 Board-level committees or Chairman of more than 5 committees across all the companies in which he is a director. Every director has informed the Company about the committee positions he/she occupies in other companies.

The facts and figures as stated above are based on the declarations received from the directors for the financial year ended 31st March, 2015.

▪ **Performance Evaluation of Independent Directors**

The Nomination and Remuneration Committee of the Company has laid down an efficient evaluation criteria for evaluating the performance of the Independent Directors. The performance of the Independent Directors are evaluated periodically, as and when considered feasible and appropriate, by the entire Board of Directors (excluding the Director being evaluated), taking into consideration various aspects such as attendance and level of participation at the meetings of the Board and committees thereof and the general meetings, contribution in long term strategic planning, professional conduct and independence, level of commitment etc. The Directors expressed their satisfaction over the evaluation process and the results thereof.

▪ **Separate Meeting of Independent Director**

Pursuant to the Code of Independent Directors as prescribed under Schedule IV of the Companies Act, 2013 read with clause 49(II)(E) of the Listing Agreement a separate meeting of the independent directors of the company was held on 12th February, 2015 without the attendance of the non-independent directors and members of the management. The performance of non-independent directors was reviewed by the Directors present, the Chairperson of the Company and the Board as a whole, emphasizing on their attendance at the Board and Committee meetings, participation at the Meetings, contribution towards growth, independence of judgement etc. thus accessing the quality, quantity and timeliness of flow of information between the Company management and the Board. The Directors were satisfied with the overall performance of the Board and the contribution made by the Directors in their individual capacity.

▪ **Familiarisation Programme for Independent Directors**

A familiarisation programme for the Independent Directors was conducted by the Company on 12th February, 2015 with the objective of familiarising the Independent Directors with the Company, the present nature of the industry in which the Company operates and challenges faced by it, the business model of the Company etc. and also to familiarize them with their roles, rights and responsibilities keeping in view the aforesaid facts as well as the day to day regulatory updates.

The programme was conducted in the presence of the Chairman and Managing Director, the Company Secretary and all the existing Independent Directors of the Company. The details of the familiarisation programme have been hosted on the company's website and are available on the weblink <http://www.jaibalajigroup.com/chandi-steel/familiarisation-programme-for-independent-directors.pdf>

3. BOARD COMMITTEES

In order to ensure better governance and accountability and to deal with specific areas/concerns within the terms of reference of the respective committees that need a closer view, the Company has constituted various board level committees under formal approval of the board. The Board periodically evaluates the performance of all the committees. The minutes of the committee meetings are placed before the Board and all observations, recommendations and decisions of the Committees are placed before the Board for consideration and approval.

Details of various Board level Committees of the Company are as follows:

❖ **Audit Committee**

The Board has a qualified and independent Audit Committee acting as a link between the Management, the Statutory Auditor, the Internal Auditor, the Cost Auditor and the Board of Directors.

■ Terms of reference of the committee

In order to ensure conformity with Section 177(1) of the Companies Act, 2013 and the amended Equity Listing Agreement (effective from October 1, 2014), the Board of Directors has, at its meeting held on 27th May, 2014, approved the following terms of reference for the Audit Committee ('the committee'):

- * Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- * Recommendation for appointment, remuneration and terms of appointment of the auditors of the company;
- * Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- * Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval with particular reference to matters as specified in the Companies Act, 2013 and the revised Clause 49 of the Equity Listing Agreement;
- * Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- * Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- * Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- * Approval or any subsequent modification of transactions of the company with related parties;
- * Scrutiny of inter-corporate loans and investments;
- * Valuation of undertakings or assets of the company, wherever it is necessary;
- * Evaluation of internal financial controls and risk management systems;
- * Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- * Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- * Discussion with internal auditors of any significant findings and follow up there on;
- * Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- * Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- * To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- * To review the functioning of the vigil mechanism under Whistle Blower Policy of the Company;
- * Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- * Carrying out any other functions as mentioned in the terms of reference of the Audit Committee.

The committee is empowered, pursuant to its terms of reference:

- * To investigate any activity within its terms of reference;
- * To seek information from any employee;
- * To obtain outside legal or other professional advice;
- * To secure attendance of outsiders with relevant expertise, if it considers necessary.

■ Composition of the Committee

The Committee has strength of 3 (Three) Members as on 31st March, 2015 comprising of:

Name of the members	Category
Shri Anshuman Dalmia (Chairman)	Non-Executive Independent Director
Shri Mahesh Kumar Keyal	Non-Executive Independent Director
Shri Vishal Bagri	Non-Executive Independent Director

The committee is headed by Shri Anshuman Dalmia, a Non-Executive Independent Director of the Company. Ms. Seema Chowdhury, Company Secretary acts as the Secretary to the committee. All the members of the Committee are financially literate and have insight to interpret and understand financial statements.

▪ **Attendance of the Members at the meetings**

During the financial year 2014-15, 5 (Five) meetings of the Audit Committee were held viz., 27th May, 2014; 13th August, 2014; 30th August, 2014, 14th November, 2014 and 12th February, 2015. The maximum time gap between two consecutive audit committee meetings did not exceed four months. The necessary quorum was present at all the meetings.

The attendance of each of the member at the meetings of the committee held during the financial year 2014-15 is tabled below:

Name of the members	No. of meetings attended
Shri Anshuman Dalmia (Chairman)	5
Shri Mahesh Kumar Keyal	5
Shri Vishal Bagri	5

The necessary quorum was present at all the meetings. The Chief Financial Officer is a permanent invitee to the Meetings. The Company Secretary attended all the committee meetings. The meetings of the committee were also attended by the representatives of the Statutory Auditor and other Senior Executives as was considered appropriate by the committee. Minutes of the committee meetings are placed and discussed in length before the Board.

The Chairman of the committee, Shri Anshuman Dalmia was present at the last Annual General Meeting to answer the queries of the shareholders.

❖ **Stakeholders' Relationship Committee (formerly Share Transfer Cum Investors' Grievance Committee)**

In order to ensure conformity with Section 178(5) of the Companies Act, 2013 and the amended Listing Agreement, the Board of Directors of the Company has at its meeting held on 27th May, 2014, have changed the nomenclature of the 'Share Transfer Cum Investors' Grievance Committee' to 'Stakeholders' Relationship Committee' ('the committee').

▪ **Terms of reference of the committee**

The committee deals with various matters relating to satisfactory redressal of shareholders and investors' grievances and recommends measures for overall improvement in the quality of investor services. An insight of the matters deals with by the committee is given hereunder:

- * To review and note all matters relating to the registration of transfer and transmission of shares and debentures, transposition of shares, sub-division of shares, issue of duplicate share certificates or allotment letters and certificates for debentures in lieu of those lost/misplaced;
- * To look into the redressal of shareholders' and investors' complaints relating to the transfer of shares, non-receipt of Annual Report/notices, dividends, etc;
- * To oversee the performance of the Registrar & Share Transfer Agents;
- * To review dematerialisation and rematerialisation of the shares of the Company;
- * To comply with all such directions of SEBI, Stock Exchanges, Ministry of Corporate Affairs & other regulatory bodies w.r.t. shareholders'/investors' rights and market regulations, from time to time.

■ Composition of the Committee

The Committee has strength of 3 (Three) Members as on 31st March, 2015 comprising of:

Name of the Members	Category
Shri Gourav Jajodia (Chairman)	Promoter Non-Executive Director
Shri Devendra Prasad Jajodia	Promoter Executive Director
Shri Anshuman Dalmia	Non-Executive Independent Director

Compliance Officer

Ms. Seema Chowdhury, Company Secretary acts as the Compliance Officer and oversees redressal of investors' grievances.

■ Attendance of the Members at the meetings

During the financial year 2014-15, 4 (Four) meetings of the committee were held viz., 27th May, 2014; 13th August, 2014; 14th November, 2014 and 12th February, 2015.

The attendance of each of the member at the meetings of the committee held during the financial year 2014-15 is tabled below:

Name of the Members	No. of meetings attended
Shri Gourav Jajodia (Chairman)	4
Shri Devendra Prasad Jajodia	4
Shri Anshuman Dalmia	4

■ The details of complaints received and redressed during the year

Complaints pending as on 1 st April, 2014	:	NIL
Complaints received during the year ended 31 st March, 2015	:	NIL
Complaints resolved during the year ended 31 st March, 2015	:	NIL
Complaints pending as on 31 st March, 2015	:	NIL

No request for share transfer/transmission was pending for approval as on 31st March, 2015.

❖ Nomination & Remuneration Committee (formerly Remuneration Committee)

■ Nomenclature and terms of reference of the committee

In order to ensure conformity with Section 178(1) of the Companies Act, 2013 and the amended Listing Agreement, the Board of Directors of the Company at their meeting held on 27th May, 2014, has changed the nomenclature of the 'Remuneration Committee' to 'Nomination & Remuneration Committee' ('the committee'), its composition and terms of reference as detailed hereunder:

- * To identify persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment, removal and shall carry out evaluation of every director's performance;
- * To formulate the criteria for determining qualifications, positive attributes, independence of directors; and
- * To recommend to the Board a policy relating to the remuneration for the directors, Key Managerial Personnel and other employees and on Board Diversity.

■ Composition of the Committee

The Committee has strength of 3 (Three) Members as on 31st March, 2015 comprising of:

Name of the Members	Category
Shri Anshuman Dalmia (Chairman)	Non-Executive Independent Director
Shri Vishal Bagri	Non-Executive Independent Director
Shri Mahesh Kumar Keyal	Non-Executive Independent Director

▪ Attendance of the Members at the meetings

During the financial year 2014-15, 3 (Three) meeting of the committee was held viz., 27th May, 2014; 13th August, 2014 and 17th December, 2014. The necessary quorum was present at all the meetings.

The attendance of each of the member at the meetings of the committee held during the financial year 2014-15 is tabled below:

Name of the Members	No. of meetings attended
Shri Anshuman Dalmia (Chairman)	3
Shri Vishal Bagri	3
Shri Mahesh Kumar Keyal	3

The Chairman of the committee, Shri Anshuman Dalmia was present at the last Annual General Meeting to answer the queries of the shareholders.

▪ Nomination and Remuneration policy

The Company has in place a Nomination and Remuneration policy duly adopted and approved by the Board at its meeting held on 27th May, 2014, setting out the terms and conditions for appointment and payment of remuneration to the Directors and Key Managerial Personnel (KMP) and other Senior Management Personnel including criteria for determining qualifications, positive attributes, independence of a director etc.

▪ Criteria of payments:

The remuneration determined for the Executive/Non-executive Director is subject to the approval of the Board, the Members and approval of Central Government wherever applicable.

➤ Executive Directors:

The appointment of Shri Devendra Prasad Jajodia, Chairman and Managing Director is governed by resolution passed by the Board of Directors and the Members of the Company which covers the terms and conditions of such appointment and approval of Central Government, wherever applicable. The tenure of the office of Shri Devendra Prasad Jajodia is for a period of 5 years w.e.f. 1st April, 2012. There is no separate provision for notice period & payment of severance fees. The Company does not have any scheme for grant of Stock Options to its Directors, Managing Directors or other employees. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Director. The details of remuneration paid to the Executive Directors for the financial year 2014-15 are as follows:

(₹)

Name of the Directors	Salary	Benefits / Allowances, etc. (fixed component)	Total
Shri Devendra Prasad Jajodia	36,00,000	Nil	36,00,000
Shri Susanta Sarkar	1,33,000	Nil	1,33,000
Total	37,33,000	Nil	37,33,000

➤ Non-Executive Directors:

The Non-Executive Directors do not draw any remuneration from the Company At present no sitting fees is paid for attending the Board and Committee meetings.

The Non-Executive Directors did not have any pecuniary relationship or transactions with the Company. The number of equity shares of the company held by the Non-Executive Directors as on 31st March, 2015 is as follows:

Name	No. of shares held in the company
Shri Sanjiv Jajodia	1,447,498
Shri Gourav Jajodia	600,000

All other Non-Executive Directors excluding the above do not hold any shares or convertible instruments in the Company.

GENERAL BODY MEETINGS

❖ Annual General Meeting (AGM)

The location, date and time of the last three AGMs are as follows:

Financial	Date	Time	Location
2013-14	Tuesday, 30 th September, 2014	11:00 A.M.	Registered Office: 3, Bentinck Street, Kolkata – 700 001
2012-13	Saturday, 28 th September, 2013	2:00 P.M.	Registered Office: 3, Bentinck Street, Kolkata – 700 001
2011-12	Saturday, 29 th September, 2012	2:00 P.M.	Registered Office: 3, Bentinck Street, Kolkata – 700 001

Special Resolutions passed in the previous 3 AGMs

The following Special Resolutions were taken up in the last three AGMs and were passed with requisite majority.

2013-14	i. Borrowing Powers of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013. ii. Creation of charges, mortgages and hypothecations on the movable and immovable properties of the Company comprising the whole or substantially the whole of any of its undertaking(s), both present and future, under Section 180(1)(a) of the Companies Act, 2013.
2012-13	No Special Resolution was passed.
2011-12	Re-appointment of Shri Devendra Prasad Jajodia as the Managing Director of the Company for a further period of 5 years w.e.f. 1st April, 2012 on terms and conditions and remuneration as mentioned in the agreement dated 11th August, 2012.

❖ Extra-ordinary General Meeting (EGM)

The details of EGMs of the Members of the Company held during the last three years are as follows:

Financial year	Venue	Day and date	Time	Nature and nos. of Special Resolutions
2012-13	Registered Office: 3, Bentinck Street, Kolkata – 700 001	Monday, 28 th May, 2012	11:00 A.M.	Approval for keeping the Register of Members, Index of Members etc., and Annual Return under Sections 159 and 160 of the Companies Act, 1956, at the office of Registrar and Share Transfer Agent as may be appointed from time to time.

Postal Ballot

No special resolution was passed through postal ballot in the last Annual General Meeting. Similarly, no Special Resolution requiring a postal ballot is being proposed at the ensuing Annual General Meeting of the Company.

4. DISCLOSURES

■ Related Party Disclosures

Attention of the members is drawn towards the details of transactions with Related Parties as per requirements of Accounting Standards (AS)-18 as disclosed under Note No. 32 in the notes to accounts annexed to the financial statements. None of the transactions with any of the related parties were in conflict with that of the Company's interest.

The transactions entered into by the Company with the related parties are negotiated on an arms length basis and are in ordinary course of business with the intention to further the Company's interest. Considering the fact that the Company frequently enters into transactions with its related parties and such transactions are repetitive in nature, the Company has at the meeting of the audit committee held on 13th August, 2014 obtained omnibus approval of the Committee for all related party transactions subject to their value not exceeding Rs.1 (One) crore per transaction valid upto a period of 1 (One) year from the date of such approval pursuant to clause 49(VI)(D) of the listing Agreement with the Stock Exchange. The Company at its meeting held on 13th August, 2015 has obtained a fresh approval which shall be valid for a period of 1 (one) year. A Statement of such transactions is periodically placed before the audit committee for review. Also, all related party transactions are placed before the audit committee for approval.

Further, pursuant to SEBI circular no. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014, all existing material related party contracts or arrangements as on that date which are likely to continue beyond 31st March, 2015, shall be placed for approval of the Members in the first General Meeting subsequent to 1st October, 2014. The Company has entered into certain material related party transactions with its related parties which are likely to continue beyond 31st March, 2015 and for which approval of the Members is sought by way of a Special Resolution. Further, the Company has entered into some transactions that are of material nature as defined under clause 49(VI)(C) of the Listing Agreement. The same has been approved by the Board and shall be placed for approval of the members at the ensuing Annual General meeting pursuant to SEBI circular no. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014. However, these transactions do not have any potential conflict with the interests of the Company.

The Company also has in place a policy on materiality of related party transactions and on dealing with such transactions, duly approved and adopted by the Board. The same is hosted on the Company's website viz., www.jaibalajigroup.com under the weblink <http://www.jaibalajigroup.com/chandi-steel/related-party-policy.pdf>

■ Capital Market Disclosures

The Company has complied with the requirements of Stock Exchange, SEBI and other statutory authorities on matters relating to the capital markets during the last three years and consequently no penalties or strictures have been imposed on the Company by these authorities for non-compliance of any matter related to the capital markets.

■ Whistleblower policy

In compliance with Section 177(9) of the Companies Act, 2013 read with SEBI Circular dated 17th April, 2014 w.r.t. amendment to the Equity Listing Agreement (effective from October 1, 2014), the Board of directors at their meeting held on 27th May, 2014, has adopted a Whistle Blower Policy for Directors and Employees to report their genuine concerns or grievances against any wrong doing in the Company as well as to provide them adequate safeguards against victimisation. The employees and directors shall report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy including:

- a) Manipulation of the data/records of the Company;
- b) Misuse of company's properties, assets and resources;
- c) Abuse of authority by any director/employee;
- d) Leaking confidential information of the Company;
- e) Violation of the Company's code of conduct or any rules/regulations/laws;
- f) Forgery/fraud/corruption/Bribery;
- g) Physical/emotional violence; and

- h) Any other matter that might cause financial/non-financial loss to the director/employee of the Company or might impact their goodwill.

The Audit Committee of the Company shall oversee the vigil mechanism under the Whistle Blower Policy. No person has been denied access to the Chairman/members of the Audit Committee. The said policy is also hosted on the Company's website viz., www.jaibalajigroup.com under the weblink <http://www.jaibalajigroup.com/chandi-steel/whistle-blower-policy.pdf>

▪ **Disclosure of Accounting Treatment**

The Company has complied with all the relevant Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 issued by The Institute of Chartered Accountants of India in preparation of its financial statements.

▪ **Code of Conduct**

The Company has laid down a Code of Conduct for its Directors and Senior Management Personnel under the formal approval of the Board to enhance ethical and transparent process in managing the day to day affairs of the Company and to sustain the trust and confidence reposed in the Officers by the shareholders of the Company. The said code suitably incorporates the duties of the Independent Directors as laid down in the Companies Act, 2013. The Code of Conduct has been hosted on the Company's Website viz., www.jaibalajigroup.com under the weblink <http://www.jaibalajigroup.com/chandi-steel/code-conduct-directors-seniormanagement.pdf>

The Board of Directors and Senior Management Personnel have affirmed compliance with the code for the financial year ended 31st March, 2015. A declaration to this effect signed by the Chairman and Managing Director forms part of this Annual Report.

▪ **Insider Trading Code**

The Securities and Exchange Board of India, vide notification no. LAD-NRO/GN/2014-15/21/85 has repealed the SEBI (Prohibition of Insider Trading) Regulations, 1992 and in place SEBI (Prohibition of Insider Trading) Regulations, 2015 has been introduced which has become effective from 15th May, 2015. Pursuant to the new regulations, the Board of Directors of the Company, has at its meeting held on 26th May, 2015, approved and adopted the Codes of fair disclosure and Code of conduct for prevention of Insider Trading. The same has been intimated to the Exchange and has also been hosted on the company's website www.jaibalajigroup.com under the weblink <http://www.jaibalajigroup.com/chandi-steel/code-conduct-2015.pdf>

▪ **Management Discussion and Analysis Report**

In accordance with Clause 49(VIII)(D) of the Listing Agreement the Management Discussion and Analysis Report forms part of the Directors Report.

▪ **Proceeds from public issues, rights issues, preferential issues, etc.**

The Company has not raised any money from public issues, rights issues, preferential issues, etc. during the financial year 2014-15.

▪ **Subsidiary Companies**

The Company does not have any wholly owned subsidiaries as on 31st March, 2015.

▪ **CEO and CFO Certification**

Shri Devendra Prasad Jajodia, Chairman & Managing Director and CEO, and Shri Vijay Singh, CFO of the Company have given their certification w.r.t the financial statement to the Board in accordance with Clause

49(IX) of the Listing Agreement for the financial year ended 31st March, 2015 which is separately annexed to this report.

▪ **Risk Management**

Risk evaluation and management is an ongoing process within the Company and is periodically reviewed by the Board.

▪ **Reconciliation of Share Capital Audit**

Ms. Premrata Soni, qualified practising Company Secretary, carried out the reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital of the Company. The audit confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held in electronic mode with NSDL and CDSL.

▪ **Compliance with Mandatory Requirements**

The Company has complied with the mandatory requirements as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, to the extent these apply and extend to the Company.

▪ **Adoption of Non-Mandatory Requirements**

* **Shareholder rights**

Since the Quarterly, half-yearly and annual financial results of the Company are published newspapers and regularly hosted on the Company's website, these are not sent individually to the shareholders of the Company.

* **Audit Qualification**

The Company's Financial Statement does not contain any audit qualifications.

* **Reporting of internal Auditor**

The Internal Auditor reports to the Audit Committee.

5. **MEANS OF COMMUNICATION**

▪ **Quarterly Financial Results**

In compliance with Clause 41 of the Listing Agreement, the Company submits the quarterly, year to date and annual financial results in the prescribed format to the stock exchange as soon as the same are approved and taken on record by the Board. The same is published in newspapers and are also simultaneously hosted on the website of the Company i.e. www.jaibalajigroup.com.

▪ **Newspapers wherein results are normally published**

The quarterly, year to date and annual financial results of the Company are normally published in Financial Express (English Newspaper), and Ekdin (Vernacular Newspaper).

▪ **Website**

In compliance of Clause 54 of the Listing Agreement and SEBI Circular No. CIR/CFD/DIL/10/2010 dated 16th December, 2010, the Company is maintaining a functional website i.e. www.jaibalajigroup.com containing the basic required information about the Company.

Contact information of the designated official responsible for assisting and handling Investor Grievances is:

The Company Secretary

Chandi Steel Industries Limited

3, Bentinck Street,

Kolkata - 700 001

Phone No.: (033) 2248 8173 / 9808

Fax: (033) 2243 0021

E-mail: cschandisteel@jaibalajigroup.com

▪ **News Releases and Presentations**

The official news releases and presentations, if any, made to institutional investors and analysts at investors meet from time to time are also posted on the Company's website. Official Press Releases, if any are sent to the Stock Exchange.

▪ **Exclusive e-mail-id for Investors' Grievances**

As per Clause 47(f) of Listing Agreement and SEBI Circular No. MRD/DoP/SE/DEP/CIR-22/06, the Company has created an exclusive e-mail ID for redressal of investor's grievances, i.e. jaibalaji@jaibalajigroup.com.

6. SHAREHOLDER INFORMATION

<u>Annual General Meeting</u> <u>Day, date & time</u> <u>Venue</u>	Tuesday, 29 th September, 2015 Registered Office: 3, Bentinck Street, Kolkata – 700 001								
<u>Financial calendar (tentative) for the year 2015-16</u>	1 st April, 2015 to 31 st March, 2016 The probable dates for the publication of the Financial Results for the financial year 2015-16: <table border="1"> <tr> <td>1st Quarter Results</td><td>13th August, 2015</td></tr> <tr> <td>2nd Quarter Results</td><td>On or before 14th Nov, 2015</td></tr> <tr> <td>3rd Quarter Results</td><td>On or before 14th Feb, 2016</td></tr> <tr> <td>Annual Results</td><td>On or before 30th May, 2016</td></tr> </table>	1 st Quarter Results	13 th August, 2015	2 nd Quarter Results	On or before 14 th Nov, 2015	3 rd Quarter Results	On or before 14 th Feb, 2016	Annual Results	On or before 30 th May, 2016
1 st Quarter Results	13 th August, 2015								
2 nd Quarter Results	On or before 14 th Nov, 2015								
3 rd Quarter Results	On or before 14 th Feb, 2016								
Annual Results	On or before 30 th May, 2016								
<u>Date of book closure</u>	The Register of Members and Share Transfer Book shall remain closed from Saturday, 26 th September, 2015 to Tuesday, 29 th September, 2015 (both days inclusive)								
<u>Date of Dividend payment</u>	N.A.								
<u>Listing of equity shares on stock exchanges</u>	The Equity shares of the Company are presently listed on the following Stock Exchange: The Calcutta Stock Exchange Ltd. 7, Lyons Range Kolkata – 700 001								
<u>Depositories</u>	National Securities Depository Limited Trade world, 4 th Floor, 'A' Wing Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai – 400 013 Central Depository Services (India) Limited Phiroze Jeejeebhoy Towers, 17 th Floor, Dalal Street Mumbai – 400 001								
The Company has paid annual listing fees to the Stock Exchange.									
<u>Stock Code</u>	10013341								
Demat International Security Identification Number (ISIN) in NSDL and CDSL	INE204G01017								
Corporate Identification Number (CIN)	: L13100WB1978PLC031670								

Registrar and Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001
Phone No.: 91 33 2243 5029/5809
E-mail: mdpldc@yahoo.com

Share transfer system

Transfer of shares held in electronic mode is done through the depositories. As regards transfer of shares held in physical form, the transfer documents can be lodged with the Registrar & Share Transfer Agent at the above mentioned address. The transfers are normally processed and share certificates are returned within a time period of 15 days from the date of receipt in accordance with SEBI Circular CIR/MIRSD/8/2012 dated 5th July, 2012, subject to the documents being valid and complete in all respects. The Stakeholders' Relationship Committee records the no. of transfer requests received and oversees its execution.

The Company obtains half-yearly certificate of compliance pertaining to share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchange from a Company Secretary in Practice and files a copy of the said certificate with the Stock Exchange.

CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2015

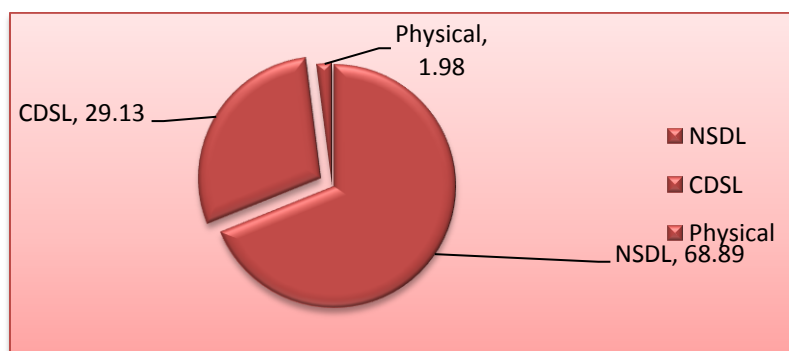
1	Category	No. of Shareholders	No. of shares held	As a %age of A+B+C
A	Promoter and Promoter Group Holding			
	Indian	11	5,040,698	47.83
	Foreign	Nil	NIL	NIL
	Total Promoter Shareholding (A)	11	5,040,698	47.83
B	Public Holding			
	Institutions	Nil	Nil	Nil
	Non-Institutions	653	54,99,302	52.17
	Total Public Shareholding (B)	653	5,499,302	52.17
C	Shares held by Custodian & against which Depository receipts have been issued (C)	Nil	NIL	NIL
	Grand Total (A+B+C)	664	10,540,000	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2015

Range of ordinary shares held	No of Shareholders	Percentage (%) to total shareholders	No. of Shares	Percentage (%) to share capital
Up to 500	623	93.83	147,600	1.40
501 to 1000	8	1.20	7,300	0.07
5001 to 10000	1	0.15	6,402	0.06
10001 and above	32	4.82	10,378,698	98.47
Total	664	100.00	10,540,000	100.00

DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON 31ST MARCH, 2015

The Company's equity shares are compulsorily traded in dematerialised form and are available for trading on both the depositories in India – the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As at 31st March, 2015 a total of 10,331,800 equity shares of the Company, representing 98.02% of the Company's share capital were held in dematerialised form of which 7,261,300 equity shares were held with NSDL and 3,070,500 equity shares with CDSL. The entire Promoters' Group shareholding in the Company is in dematerialised form.



OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

During the year under reporting, no GDRs/ADRs/Warrants/Convertible Instruments were issued during the financial year 2014-15.

DETAILS OF UNCLAIMED SHARES

The Company does not have any unclaimed shares as on 31st March, 2015.

PLANT LOCATIONS

16, Belur Road, Liluah, Howrah

ADDRESS FOR CORRESPONDENCE

The Company Secretary
 Chandi Steel Industries Limited
 3, Bentinck Street,
 Kolkata - 700 001
 Phone No.: (033) 2248 8173 / 9808
 Fax: (033) 2243 0021
 E-mail: cschandisteel@jaibalajigroup.com

Auditors' Certificate on Corporate Governance

The Company has received a certificate, annexed to the Directors' Report, from the Statutory Auditors of the Company testifying to its compliances with the provisions relating to Corporate Governance as stipulated in Clause 49 of the Listing Agreement executed with the Stock Exchange.

For and on behalf of the Board

Place: Kolkata
Date: 31st August, 2015

Devendra Prasad Jajodia
Chairman & Managing Director
 (DIN: 00045166)

Declaration

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, this is to confirm that a Code of Conduct has been laid down by the Board of Directors of Chandi Steel Industries Limited, which has been made applicable to all the Directors and the Senior Management Personnel of the Company.

The Code of Conduct has been affirmed to by all the members of the Board and the Senior Management Personnel of the Company for the year ended 31st March, 2015.

The said Code of Conduct is posted on the website of the Company, namely, www.jaibalajigroup.com

Place : Kolkata
Date : 31st August, 2015

Devendra Prasad Jajodia
Managing Director
(DIN: 00045166)

Auditor's Report on Corporate Governance

To
The Members of CHANDI STEEL INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Chandi Steel Industries Limited, for the year ended on 31st March'2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of an 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of 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 the Management has conducted the affairs of the Company.

For Rashmi & Co.
Chartered Accountants
FRN: 309122E

Place: Kolkata
Dated: 31/08/2015

Sandeep Agarwal
Partner
Membership No 065643

CEO AND CFO CERTIFICATION
(Pursuant to Clause 49(IX) of the Listing Agreement)

To,
The Board of Directors
Chandi Steel Industries Limited

We, Devendra Prasad Jajodia, Chairman & Managing Director and Vijay Singh, Chief Financial Officer of Chandi Steel Industries Limited (hereinafter referred to as 'the Company'), certify that:

1. We have reviewed the Financial Statements and the Cash Flow Statement of the Company, for the financial year ended 31st March, 2015 and to the best of our knowledge and belief
 - i. the aforesaid statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading;
 - ii. the aforesaid statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations;
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies;
4. That we have indicated to the Auditors and the Audit Committee:
 - i. Significant changes, if any, in the internal control over financial reporting during the year;
 - ii. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and;
 - iii. Instances of significant fraud of which we have become aware and the involvements therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Kolkata
Date : 26th May, 2015

Devendra Prasad Jajodia
Chairman & Managing Director
DIN – 00045166

Vijay Singh
Chief Financial Officer

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

COMPANY PROFILE

The Company is engaged in manufacturing and Trading of Steel products and undertakes the activity of rolling of Alloy, Carbon and Mild Steel Rounds, Flats and Squares. It is the oldest manufacturer of these items in the State and has created a niche for itself amongst the valuable customers.

ECONOMIC SCENARIO

It has been a turbulent year for global economy. The year started on a good note however the growth was lower than expected. The growth in the advanced economies picked up, but there was a step down in the emerging and developing economies. Despite of the fall, the emerging and developing economies had a major say in the economic growth, registering a growth of 4.6% as against 1.8% of the advanced economies and accounted for three-fourth of the global growth in 2014.

The Indian Economy after seeing various years of miniature growth have come a long way since then and marked a sustainable turnaround and clocked a growth of 7.2% as compared to 6.9% in the last year being patted by controlled inflation, which declined by over 6% in the last year, rise in domestic demand, increase in investments, decline in oil prices and reforms among others.

INDUSTRY STRUCTURE & DEVELOPMENTS

Steel is **one of the world's most** important products and is of strategic importance for any industrial nation. Steel has the capacity to ignite an economy and it acts as a building block and plays a crucial role in development of the nation. It is also one of the major raw materials of the Company.

The Global Steel industry continued to face challenges during the year. Steel Sector though registered a growth but the same was only 1% marginal increase, the output reaching 1,665 million tonnes. There was no change in the order of top three steel producing nations with China, Japan and the US retaining their slots in the respective order in 2014. The developed world showed growth in Steel demand of 6.2% in 2014 on the back of strong US fundamentals and a firming EU recovery. The developing economies (excluding China) posted low growth of 2.3% in 2014, in particular because of the continued deterioration in the Brazilian and Russian Steel markets.

Indian Steel Economy witnessed a challenging environment, and was subjected to varied combination of optimism and distrust in the last financial year. The Crude steel production during the Financial Year 2014-15, was 88.124 Million Tones(MT), a growth of 7.9% over the same period of last year and the total finished steel production was 91.46 MT a growth of 4.3 % over 2013-14. India's steel production grew at nearly half the world's average in the first six months of the year, but the country still remains at the fourth position among top steel producers.

The following is a status report on the performance of Indian steel industry during April-March 2014-15:

Total Finished Steel (alloy + non-alloy)	Indian steel scene: April-March 2014-15 (Prov)	
	Qty (mt)	% change*
Production for sale	90.552	3.3
Import	9.321	71.0
Export	5.501	-8.1
Real Consumption	76.355	3.1
Crude Steel Production	88.124	7.9

Source: JPC, *over same period of last year

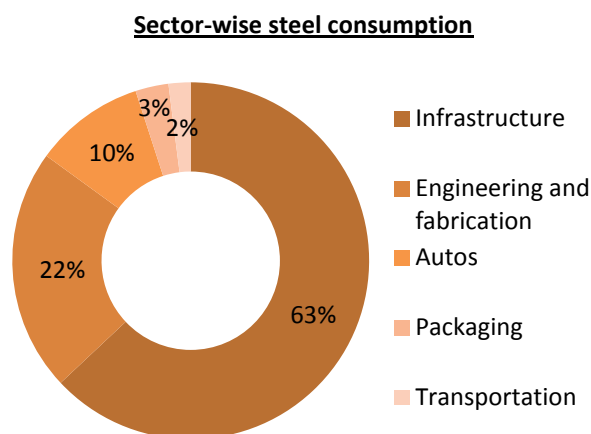
Steel industry in India, still trails behind in several areas when compared with many other nations such as China, Japan, USA etc. India's steel demand is likely to rise by 4-5 per cent this year and will touch a compounded annual growth rate (CAGR) of 15 per cent after Financial Year 2017. It is expected that India will begin moving back on the path of materials intensive growth in the future years.

OUTLOOK

The Indian steel industry is expected to grow moderately in the near future as end-user demand starts to pick up. Since the start of 2015, steel production in India is already up by 9.4% on a year over year basis. India already is the fourth largest producer of steel, with infrastructure development and automotive industry driving steel demand, production is expected to hit with an expected steel use of 80 million tonnes in 2015 and 86 million tonnes in 2016. Domestic steel capacity is expected to correspondingly mirror the growth of end-user industries. The Indian Steel Industry has sets its vision plan to scale up steel production to 300 MT by 2025. This is also one of the agenda chalked – out in the “Make in India” Campaign. The Government plans to unveil a policy that targets 300 mtpa in a decade from now. The government is working proactively to provide incentives for economic growth by injecting funds in construction, infrastructure, automotive and power, which will drive the steel industry in the future. India is also expected to become the 2nd largest producer of crude steel in the world soon, provided all requirements for creation of fresh capacity are adequately met

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

India’s status as a major player in the global steel industry is well acknowledged. The fast growing economy has welcomed multiple opportunities for an Industry to develop. The Steel Industry is evolving itself to become a global leader in terms of product quality and overall efficiency. Abundance of raw materials and cheap workforce makes Indian Steel Industry Competitive. The biggest opportunity before Indian steel sector is that there is enormous scope for increasing consumption of steel in almost all sectors in India. Infrastructure has been a key customer in India. Excellent potential exist for enhancing steel consumption in other sectors such as infrastructure, automobiles, packaging, engineering industries, irrigation, railways and water supply in India.



There are many prospects that are helping grow the Indian Steel Industry. However, huge dependence on imported coking coal, low production efficiency, inadequate infrastructure & technology and delay in regulatory clearances & approvals are major hindrance to growth of the industry. Addressing these issues and challenges and building appropriate growth strategies can help attain the objective efficiently.

FINANCIAL PERFORMANCE

During the year under review the Company has earned revenue comprising of sales and other income of Rs. 6,707.74 lacs as compared to 4,749.95 lacs in the previous year registering a growth of 41.21% The Profit before Tax also recorded a growth and reached to 28.33 lacs as against Rs. 14.07 lacs in the previous year. The Net Profit for the year under review was Rs. 10.11 lacs. The Company shall endeavor to constantly improve its performance in the same pace to benefit all its stakeholders.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Control is a procedure or system designed to ensure that the Company’s financial results are reliable, its operations are effective and its activities complies with applicable laws and regulations. The Company has a proper and adequate system of internal controls. The Internal Audit provides

recommendations designed to add value to the organisation and follows up on the implementation of the agreed audit recommendations. The Company has an Audit Committee to continuously monitor the adequacy and effectiveness of the internal control environment across your company.

HUMAN RESOURCES

The Company recognizes the fact that manpower is the biggest strength for the success of the Organization and is dedicated to have an efficient organizational structure for building harmonious relations in the organization and strengthening the human resource system. It considers the commitment and competence of the human resource **as the levers of the organisation's growth and realises that a** company cannot be a leader without the right team. The Company has always stepped up in its HR policies to give full room to its staff to nurture their intellect, and to strengthen their knowledge, skills, attitudes and performance level. The Company has strength of around 70 permanent employees comprising of professionals from different background. The Directors of your Company deeply appreciate the support and dedication of its team.

CAUTIONARY STATEMENT

Statements made in this report describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

INDEPENDENT AUDITORS' REPORT

To

The Members of **Chandi Steel Industries Limited**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial

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control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the Directors as on 31st March, 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



RASHMI & CO.

• Chartered Accountants

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- i) The Company has disclosed the impact of pending litigations on its financial position in its statements – Refer Note 23 to the financial statements:
 - ii) The Company has made provision, as required under the applicable law or Accounting Standards, for materials foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Kolkata
Dated: 26th May, 2015



For, Rashmi & Co.
Chartered Accountant
FRN- 309122E

Sandeep Agarwal
CA Sandeep Agarwal
(Partner)
Membership No. 065643

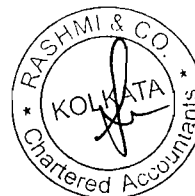
ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Chandi Steel Industries Limited

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information's.
- (b) All fixed assets have been physically verified by the management during the period but there is a regular programme of verification in a phased manner to cover all the items of fixed assets over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) There was no disposal of substantial part of fixed assets during the period.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the period.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The Company had granted loan to a Company covered in the register maintained under section 189 of the Companies Act, 2013. The maximum amount involved during the period was ₹ 1826.37 lacs and the period- end balance in respect of such loan is ₹ 948.22 lacs.
- (a) The receipts of the principal amount and interest have been regular.
- (b) The above loan is stated to be re-payable on demand. We are informed that, the Company has received back the amount of loan to the extent demanded by it and thus there has been no default on the part of such party to whom the money has been lent. The payment of interest has been regular.
- (d) As the party has repaid the amount of loan whenever demanded, therefore there is no overdue amount for the above loan granted to a Company listed in the register maintained under section 189 of the Companies Act, 2013.

- (e) The Company has taken loans from company covered in the register maintained under section 189 of the Companies Act, 2013. The maximum amount involved during the year was ₹ 3245.92 lacs and yearend balance in respect of such loan is ₹ 3375.17 lacs.
- (iv) In our opinion and according to the information and explanations given to us, and having regard to the explanation that some of the items purchased are of a special nature and alternative sources do not exist for obtaining quotations thereof, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or any continuing failure to correct any major weakness in internal control system of the Company in respect of these areas.
- (v) The Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rule framed thereunder.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section(1) of section 148 of the Companies Act, 2013, related to the manufacture of its products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities, except that there have been delays in deposit of dues in certain cases of income tax, provident fund and employees' state insurance.
- (b) According to the records of the Company, the dues outstanding of sales-tax, service tax, excise duty and cess on account of any dispute, are as follows:



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Name of the statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	CENVAT Credit Disallowed	36.64	2008-09	Commissioner (Appellate)
Central Excise Act, 1944	Irregular Availment of Service Tax Credit	275.60	2009-10, 2010-11 and 2011-12	Appeal Hearing pending before CESTAT Stay Allowed
The West Bengal Value Added Tax Act, 2003	Turnover Enhanced/ITC disallowed/Penalty	593.26	2005-06, 2006-07, 2008-09, 2009-10 and 2010-11	West Bengal Appellate and Revision Board.
The Central Sales Tax Act, 1956	Pending Forms	62.40	2005-06, 2006-07, 2008-09, 2009-10 and 2010-11	West Bengal Appellate and Revision Board.
Income Tax Act, 1961	U/s. 271(1)(C)	19.98	2009-10	Appeal before CIT(A) Central – II, / Kolkata

(c) In our opinion and according to the information and explanations given to us, and there is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.

- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution and bank. Further the company did not have any outstanding debentures during the year.

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RASHMI & CO.

Chartered Accountants

- (x) The company has given guarantee for loan of ₹ 5427.00 lacs to SBI, Jamshedpur taken by associate company i.e Nilachal Iron & Power Ltd. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima-facie prejudicial to the interest of the Company.
- (xi) The company did not have any term loans outstanding during the year.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the period.

Place: Kolkata
Dated: 26Th May, 2015



For, Rashmi & Co.
Chartered Accountant
FRN- 309122E

Sandeep Agarwal
CA Sandeep Agarwal
(Partner)
Membership No. 065643

NOTE 1 & 2 : CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES.

1 **CORPORATE INFORMATION:-**Company engaged in Manufacturing/ Trading of Steel Rolled Products & Coal mining operation Plant Located in 16, Belure Road, Liluah, Howrah, West Bengal.

2 **SIGNIFICANT ACCOUNTING POLICIES:**

2.1 BASIS OF ACCOUNTING

The accounts are prepared on accrual basis under the historical cost conventions in accordance with Indian Generally Accepted Accounting Policies (GAAP) comprising of mandatory Accounting Standard issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013 except otherwise stated. The Preparation/Presentation of financial statements requires estimates & assumptions to be made that affect the reported amounts of Assets & Liabilities as well as revenues & expenses reported therein. Difference between the actual results and estimates are recognized and adjusted in the period in which results are known/ materialised.

2.2 REVENUE RECOGNITION

Revenue is recognized to the extent it is probable that economic benefits will pass on to the company and can be reliably measured. Sales is recognized when significant risk and rewards of ownership are transferred which is at the point of despatch of goods to the customers and includes excise duty and sales tax thereon net of rebates and discounts. Interest Income is accounted on time proportion basis.

2.3 FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost is inclusive of duties (net of Cenvat), taxes, incidental expenses and erection/ commissioning expenses incurred upto the date the asset is ready for its intended use. Expenditure on addition, improvement and renewal of Fixed Assets are Capitalised at cost less Credit of Excise Duty and VAT on purchase of the relevant assets and impairment losses, if any. Expenditure for repairs and maintenance are charged to revenue account. Subsequent expense is capitalized only if such expenses result in an increase in the future benefits from the assets beyond its pre assessed standard of performance.

The carrying amounts are reviewed at each balance date when required to assets whether they are recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount.

2.4 DEPRECIATION

Depreciation has been provided upto 95% of the value of assets and on prorata basis for the period of use of the assets on straight-line method at the rates and in the manner prescribed under Schedule – II to the Companies Act, 2013. No depreciation is provided on Cenvat Credit of Excise Duty on purchase of capital goods.



CHANDI STEEL INDUSTRIES LIMITED

Notes to financial statements for the year ended March 31, 2015

2.5 INVENTORIES

Inventories of raw materials are valued at cost on Weighted Average basis and net realizable value whichever lower. Finished goods are valued at cost on Weighted Average basis or estimated net realizable value whichever is lower. The value of finished goods inside factory is inclusive of excise duty thereon. The Stock of Store is valued at cost on FIFO basis or estimated market value whichever is lower. The Stock of scrap is valued at net realizable value. Work-in-Process is valued at cost and net realizable value whichever lower. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

2.6 EXCISE DUTY

Cenvat Credit on input is adjusted with the cost of materials. Cenvat Credit on purchase of Capital Goods is reduced from the cost of such assets and no depreciation is charged thereon. Excise duty on manufactured goods is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the Balance sheet date.

2.7 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition or construction of Fixed Assets are capitalised until the time all substantial activities necessary to prepare such assets for their intended use are complete and are charged to Profit & Loss when active development activity is interrupted. Other Borrowing costs are recognized as an expense in the year in which they are incurred.

2.8 MISCELLANEOUS EXPENDITURE

Preliminary Expenses, if any, have been amortised equally as per prevailing Income Tax Law.

2.9 RETIREMENT BENEFITS

Company's Contribution to Provident Fund is accounted at cost on accrual basis. Accrued liability towards Leave Encashment benefits, covering eligible employees, evaluated on the basis of year-end actuarial valuation is recognized as a charge. The provision for gratuity to employee is made as per actuarial valuation, on the basis of the Payment of Gratuity Act, 1972.

2.10 TAXES ON INCOME

Income Tax for the current year is determined on the basis of taxable income and current tax rate in accordance with the provisions of Income Tax Act, 1961.

Deferred taxes is measured based on applicable tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax assets are recognized only to the extent there is reasonable certainty the sufficient future taxable income will be available against which such deferred tax assets can be realized. If the company has carry forward unabsorbed depreciation or tax losses, deferred tax assets are recognized for timing difference of other items, only if there is virtual certainty backed by convincing evidence that such deferred tax assets can be realized against future taxable profits.

Minimum Alternate Tax (MAT) credit is recognized 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. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of



CHANDI STEEL INDUSTRIES LIMITED**Notes to financial statements for the year ended March 31, 2015**

Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement. The Company reviews the same at Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

2.11 CONTINGENCIES AND EVENTS AFTER BALANCE SHEET DATE

Contingent liabilities are not provided in the accounts but are separately disclosed by way of notes on accounts. Contingent Assets are neither recognized nor disclosed in the Audited Accounts.

2.12 FOREIGN CURRENCY TRANSCATIONS

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary asset and liabilities are translated at year end exchange rates. Any income or expense on account of exchange differences either on settlement or on translation of transactions other than those related to fixed assets is recognized in the profit & loss account.

2.13 IMPAIRMENT OF ASSETS

The carrying cost of cash generating units is reviewed for impairment when events or changes in circumstances indicate that the carrying cost may not be recoverable. Provision for impairment loss will be made and adjusted with the cost of assets on prorata basis only when the carrying cost of assets exceeds the expected recoverable amount.

- 2.14** The company has entered into a long term contract for coal mining operation with West Bengal Mineral Development and Trading Corporation Limited (WBMDTC) for a period of 30 years. The amount of RS. 3625.38 lacs has been incurred on the said project till 31/03/2015 which is shown under Capital Work-In-Progress under Notes – 10.



CHANDI STEEL INDUSTRIES LIMITED
Balance Sheet as at March 31, 2015

(₹ in lacs)

	Notes	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	3	1,053.62	1,053.62
Reserves and Surplus	4	451.50	442.41
		<u>1,505.12</u>	<u>1,496.03</u>
Non Current Liabilities			
Long Term Borrowings	5	3,214.52	2,602.78
Deferred Tax Liabilities (Net)	6	114.41	106.32
		<u>3,328.93</u>	<u>2,709.10</u>
Current Liabilities			
Short Term Borrowings	7	1,189.71	1,634.47
Trade Payables	8	2,865.58	3,615.02
Other Current Liabilities	8	235.77	255.19
Short Term Provisions	9	13.20	7.79
		<u>4,304.26</u>	<u>5,512.47</u>
TOTAL		<u><u>9,138.31</u></u>	<u><u>9,717.60</u></u>
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	10	1,353.82	1,403.60
Capital Work in Progress	10	3,625.38	3,414.78
Long Term Loans and Advances	11	17.91	18.42
		<u>4,997.11</u>	<u>4,836.80</u>
Current Assets			
Inventories	12	1,516.26	1,102.05
Trade Receivables	13	327.20	837.47
Cash and Bank Balances	14	308.19	269.59
Short Term Loans and Advances	11	1,986.50	2,648.30
Other Current Assets	15	3.05	23.39
		<u>4,141.20</u>	<u>4,880.80</u>
TOTAL		<u><u>9,138.31</u></u>	<u><u>9,717.60</u></u>
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the financial statements
As per our report of even date

For Rashmi & Co.
Firm Regn. No. 309122E
Chartered Accountants

Sandeep Agarwal
CA Sandeep Agarwal
Partner
Membership No. 065643



For and on behalf of the Board of Directors

Devendra Prasad Jajodia
Devendra Prasad Jajodia
Managing Director

Vijay Singh
Vijay Singh
Chief Financial Officer

Seema Chowdhury
Seema Chowdhury
Company Secretary

Place : Kolkata
Date : May 26, 2015

CHANDI STEEL INDUSTRIES LIMITED

Statement of Profit and Loss for the year ended March 31, 2015

			(₹ In lacs)
	Notes	As at March 31, 2015	As at March 31, 2014
INCOME			
Revenue from Operations (Gross)	16	6,707.74	4,749.95
Less: Excise Duty	16	649.36	401.00
Revenue from Operations (Net)		6,058.38	4,348.95
Other Income	17	24.88	41.18
Total Revenue (I)		6,083.26	4,390.13
EXPENSES			
Cost of Materials Consumed	18	4,147.60	3,009.31
Changes in Inventories of Finished Goods	19	64.92	143.29
Employee Benefits Expense	20	146.16	142.16
Finance Costs	21	562.72	243.84
Depreciation	10	73.43	78.49
Other Expenses	22	1,060.10	758.97
Total Expenses (II)		6,054.93	4,376.06
Profit before Tax (I-II)		28.33	14.07
Tax Expenses:			
Current Tax Expenses [Including ₹ Nil (₹ 0.56 lacs) for earlier Year]		5.40	3.23
Less : MAT Credit Entitlement		(4.27)	(0.51)
Net Current Tax Expenses		9.67	3.74
Deferred Tax		8.55	4.24
Total Tax Expense		18.22	7.98
Profit for the period		10.11	6.09
Earnings per Equity Share:(Nominal Value per Share ₹10)			
Basic & Diluted		0.10	0.06
Significant Accounting Policies	1 & 2		

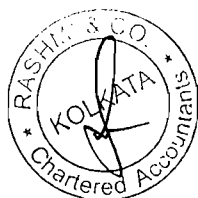
The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

For Rashmi & Co.
Firm Regn. No. 309122E
Chartered Accountants

Sandeep Agarwal
CA Sandeep Agarwal
Partner
Membership No. 065643



Devendra Prasad Jajodia
Devendra Prasad Jajodia
Managing Director

Vijay Singh
Vijay Singh
Chief Financial Officer

Seema Chowdhury
Seema Chowdhury
Company Secretary

Place : Kolkata

Date : May 26, 2015

CHANDI STEEL INDUSTRIES LIMITED
Cash Flow Statement for the year ended March 31, 2015

(₹ in lacs)

	2014-15	2013-14
A: Cash Flow From Operating Activities		
Net Profit Before Taxes	28.33	14.07
Adjustments For :		
Depreciation	73.43	78.49
Irrecoverable Debts Written off	0.19	22.13
Liabilities no longer required written back	-	(1.50)
Interest on Term Loans and Others	562.72	243.84
Insurance Claims	-	(8.80)
Prior Period Expenditure (net)	-	0.14
Gain / (Loss) on Foreign Exchange Fluctuations (Net)	(2.30)	(12.98)
Interest Income	(22.58)	(17.33)
Operating Profit Before Working Capital Changes	639.79	318.06
Movements in Working Capital :		
Decrease / (Increase) in Trade Receivables	512.38	146.29
Decrease / (Increase) in Loans and Advances and Other Current / Non Current Assets	651.30	(452.24)
Decrease / (Increase) in Inventories	(414.21)	340.38
(Decrease) / Increase in Trade Payables, Other Current Liabilities and Provisions	(746.16)	(340.16)
Cash Generated From Operating Activities	3.31	(305.73)
Direct Taxes paid (net of refunds)	4.70	(9.21)
Net Cash generated from Operating Activities	647.80	3.12
B: Cash Flow From Investing Activities		
Purchase of Fixed Assets	(253.02)	(537.39)
Interest received	39.56	27.86
Net Cash Used In Investing Activities	(213.46)	(509.53)
C: Cash Flow From Financing Activities		
Repayment of long / short term Borrowings	166.98	637.75
Interest Paid	(562.72)	(243.84)
Net Cash generated from Financing Activities	(395.74)	393.91
Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)	38.60	(112.50)
Cash and Cash Equivalents as at the beginning of the year	269.59	382.09
Cash and Cash Equivalents as at the end of the year	308.19	269.59
Components of cash and cash equivalents		
Cash on hand	8.97	4.66
Cheques in hand	25.99	36.13
Balance with Scheduled Banks on:		
Current Account	7.06	-
Fixed Deposit Account	266.17	228.80
Cash and Bank Balances as per Note 14	308.19	269.59
Less : Fixed deposits not considered as cash equivalents	-	-
Cash and Cash Equivalents in Cash Flow Statement:	308.19	269.59

As per our report of even date

For Rashmi & Co.
Firm Regn. No. 309122E
Chartered Accountants
Sandeep Agarwal
CA Sandeep Agarwal
Partner
Membership No. 065643



Place : Kolkata
Date : May 26, 2014

For and on behalf of the Board of Directors

Devendra Prasad Jajodia
Managing Director

Vijay Singh
Chief Financial Officer

Seema Chowdhury
Company Secretary

CHANDI STEEL INDUSTRIES LIMITED**Notes to financial statements for the year ended March 31, 2015****Note 3 : Share Capital**

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Authorised capital		
12,000,000 (12,000,000) Equity Shares of ₹ 10/- each	1,200.00	1,200.00
Issued, subscribed and fully paid-up capital		
10,540,000 (10,540,000) Equity Shares of ₹ 10/- each	1,054.00	1,054.00
Less: Calls unpaid (Due from other than directors or officers)	0.38	0.38
Total	1,053.62	1,053.62

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	(₹ in lacs)	No. of Shares	(₹ in lacs)
Equity Shares of ₹ 10/- each				
At the beginning of the period	10,540,000	1,053.62	10,540,000	1,053.62
Call money received during the period	-	-	-	-
At the end of the year	10,540,000	1,053.62	10,540,000	1,053.62

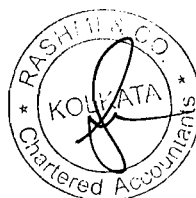
(b) Terms/rights attached to equity shares

The Company has only one class of ordinary shares (equity shares) having at par value of ₹ 10/- each. Each shareholder of ordinary shares (equity shareholders) is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the share holders in the ensuing annual general meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distributions of all preferential amounts, in the proportions to their share holdings.

(c) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Sanjiv Jajodia	1,447,498	13.73	1,447,498	13.73
Gaurav Jajodia	600,000	5.69	600,000	5.69
Sangeeta Jajodia	600,000	5.69	600,000	5.69
Aashish Jajodia	556,500	5.28	556,500	5.28
	3,203,998	30.39	3,203,998	30.39

As per records of the Company, including its register of share holders / members, the above share holdings represents legal ownership of shares.



CHANDI STEEL INDUSTRIES LIMITED

Notes to financial statements for the year ended March 31, 2015

Note 4 : Reserves & Surplus

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Capital Reserve		
As per last financial statements	34.92	34.92
General Reserve		
As per last financial statements	10.00	10.00
Surplus in Statement of Profit and Loss		
As per last financial statements	397.49	391.40
Less: Depreciation adjustment as per Companies Act, 2013 (Net of Deferred Tax ₹ 0.46 lacs)	(1.02)	-
Add: Profit for the period	10.11	6.09
Surplus in Statement of Profit and Loss	406.58	397.49
Total:	451.50	442.41

Note 5 : Long Term Borrowings

	Non Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Loans and Advances from related Parties(unsecured)	3,200.00	2,600.00	-	
Deferred Payments Liabilities	14.52	2.78	10.07	5.23
Total:	3,214.52	2,602.78	10.07	5.23

Long Term Unsecured Loan taken from Jai Balaji Jyoti Steels Limited with interest for Capital Work In Progress of the coal block development and will be repaid /adjusted on implementation of the project. The maximum amount outstanding at any time during the year ₹ 3,200.00 lacs (₹ 2,600.00 lacs)

Note 6 : Deferred Tax Assets / Liabilities (Net)

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Deferred Tax Asset		
Provision/Expenses allowable in future Under Income Tax Act.	4.40	3.49
Sub Total (B)	4.40	3.49
Deferred Tax Liability		
Timing Difference on Depreciable assets	118.81	109.81
Sub Total (A)	118.81	109.81
Deferred Tax Liabilities (Net) (A-B)	114.41	106.32



CHANDI STEEL INDUSTRIES LIMITED**Notes to financial statements for the year ended March 31, 2015****Note 7 : Short Term Borrowings**

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Secured		
Loan Repayable on Demand		
- Cash Credit from Banks	1,014.54	988.55
Unsecured		
Loans & advances from related parties*	175.17	645.92
Total:	1,189.71	1,634.47

Cash Credit facilities from banks are secured by pari- passu 1st charge over the entire current assets (both present and future) and 2nd charge over the entire fixed assets (both present and future) of the Company's and further secured by Personal Guarantees of Promoter Directors of the Company and Corporate Guarantee of Associate Company Jai Balaji Industries Ltd..

*(Refer Note 32)

Note 8 : Trade Payables and other Current Liabilities

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Trade Payables	2,865.58	3,615.02
(Refer Note 27 for details due to Micro and Small Enterprises)		
	2,865.58	3,615.02
Current Maturity of Long Term Borrowings (Refer Note 5)	10.07	5.23
Capital Creditors	33.12	50.40
Temporary Book Overdraft	-	14.79
Advance from Related Party *	-	52.05
Others		
- Statutory Dues Payable	71.83	14.78
- Excise Duty payable on Closing Stock	107.35	95.74
- Due to Employees	13.40	22.20
	235.77	255.19
Total:	3,101.35	3,870.21

*(Refer Note 32)

Note 9 : Short Term Provisions

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Provision for employee benefits:		
Gratuity (Refer Note 28)	10.87	5.81
Leave Salary	2.33	1.98
Total:	13.20	7.79



CHANDI STEEL INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2015
Note 10 : Tangible Assets.

(₹ in lacs)

Particulars	Gross Block			DEPRECIATION			NET BLOCK		
	As at March 31, 2014	Addition	As at March 31, 2015	Up To March 31, 2014	For the period	Depreciation in respect of assets whose useful life is over	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
LAND	481.51	-	481.51	-	-	-	-	481.51	481.51
FACTORY SHED & BUILDING	245.12	-	245.12	49.24	6.51	-	55.75	189.37	195.88
PLANT & MACHINERY	679.03	-	679.03	293.71	35.11	-	328.82	350.21	385.32
FURNACE	65.65	-	65.65	26.65	4.10	0.69	31.44	34.21	39.00
FURNITURE	1.30	-	1.30	1.09	0.05	0.10	1.24	0.06	0.21
AIR CONDITIONER	2.75	-	2.75	1.13	0.20	-	1.33	1.42	1.62
GENERATOR	7.27	-	7.27	2.94	0.24	-	3.18	4.09	4.33
COMPUTER	4.20	-	4.20	3.97	0.14	0.16	4.27	-0.07	0.23
FAX MACHINE	0.46	-	0.46	0.35	-	0.08	0.43	0.03	0.11
FORGING MACHINE	3.91	-	3.91	3.23	0.16	-	3.39	0.52	0.68
STEEL ROLL	632.19	-	632.19	625.50	0.12	-	625.62	6.57	6.69
OFFICE EQUIPMENT	1.43	-	1.43	0.49	0.15	0.45	1.09	0.34	0.94
CRANE	24.19	-	24.19	4.58	1.08	-	5.66	18.53	19.61
MOTOR CAR	9.59	25.14	34.73	0.15	4.15	-	4.30	30.43	9.44
ELECTRICAL EQUIPMENT	32.22	-	32.22	4.27	8.73	-	13.00	19.22	27.95
PRODUCER GAS PLANT	289.62	-	289.62	59.54	12.69	-	72.23	217.39	230.08
TOTAL	2,480.44	25.14	2,505.58	1,076.84	73.43	1.48	1,151.75	1,353.83	1,403.60
Previous Year's Total	2,409.03	71.41	2,480.44	998.35	78.49	-	1,076.84	1,403.60	1410.68

CAPITAL WORK-IN-PROGRESS

Particulars	As at March 31, 2015	As at March 31, 2014
Coal Block		
Opening	3,414.78	2,990.92
Addition	210.60	423.86
TOTAL	3,625.38	3,414.78



CHANDI STEEL INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2015

Note 11 : Loans and Advances

	Non Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
(Unsecured, Considered Good)				
Capital Advances	11.72	12.23	-	-
Security Deposit	6.19	6.19	61.56	58.42
Loans and advances to Related parties				
Loans to Body Corporate (Receivable on demand)*	-	-	948.22	1,826.37
Advances recoverable in cash or kind				
Advances recoverable in cash or in kind or for value to be received	-	-	155.10	56.76
Other Loans and advances				
Balance with Excise and other Government Authorities	-	-	800.15	682.85
Advance income tax (Net)	-	-	7.82	5.98
Mat Credit Entitlement	-	-	13.65	17.92
Total:	17.91	18.42	1,986.50	2,648.30

*(Refer Note 32)

Note 12 : Inventories

	As at March 31, 2015	As at March 31, 2014
Raw Materials	731.64	255.35
Stores and Spares	43.70	52.47
Finished Goods	733.15	778.43
By Products and Scrap	7.77	15.80
Total:	1,516.26	1,102.05



CHANDI STEEL INDUSTRIES LIMITED

Notes to financial statements for the year ended March 31, 2015

Note 13 : Trade Receivables

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Outstanding for a period exceeding six month from the date they are due for payment		
Unsecured, considered good	-	-
(A)	-	-
Other Debts		
Unsecured, considered good	327.20	837.47
(B)	327.20	837.47
Total	327.20	837.47
(A+B)	327.20	837.47

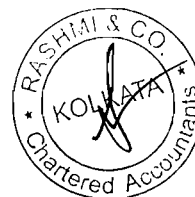
Note 14 : Cash and Bank Balances

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Cash and Cash equivalents		
Balance with Banks :-		
On Current Accounts	7.06	-
Cash on hand	8.97	4.66
Cheques in hand	25.99	36.13
	42.02	40.79
Other Bank Balances		
Deposits with original maturity for more than 12 Months*	266.17	228.80
Total:	308.19	269.59

* including ₹ 266.17 lacs (₹ 228.80 lacs) pledged with banks and others as margin money against borrowings / other facilities

Note 15 : Other Current Assets

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Duty Drawback Receivable	3.05	6.41
Interest Receivable on Deposits	-	16.98
Total:	3.05	23.39



CHANDI STEEL INDUSTRIES LIMITED

Notes to financial statements for the year ended March 31, 2015

Note 16 : Revenue from Operations

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Sales of products		
Finished Goods	6,487.77	4,588.31
Scraps	206.57	114.22
Other Operating Revenue		
Conversion Charges	-	31.92
Export Incentives	13.40	15.50
Revenue from Operations (Gross)	6,707.74	4,749.95
Less: Excise Duty	649.36	401.00
Revenue from Operations (Net)	6,058.38	4,348.95

Note 17 : Other Income

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Interest on :		
Fixed Deposits with Banks [Gross, Tax deducted at Source ₹ 2.20 lacs (₹ 1.89 lacs)]	22.58	17.33
Liabilities no longer required written back	-	1.50
Insurance Claims	-	8.80
Gain on Foreign Exchange Fluctuations (Net)	2.30	12.98
Discount Received	-	0.57
Total:	24.88	41.18

Note 18 : Cost of Materials Consumed

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Opening Stock	255.35	422.74
Purchases	4,623.89	2,841.92
	4,879.24	3,264.66
Less: Closing Stock	731.64	255.35
Raw Materials Consumed	4,147.60	3,009.31

Consumption of Raw Material :

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Non Alloys Steel (Billet & Ingot)	3,501.46	2,439.88
Alloys Steel (Billet & Ingot)	646.14	569.43
	4,147.60	3,009.31



CHANDI STEEL INDUSTRIES LIMITED

Notes to financial statements for the year ended March 31, 2015

Note 19 : Changes in Inventories of Finished Goods

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Opening Stocks :		
Finished Goods	778.43	948.53
Scrap	15.80	3.74
	<u>794.23</u>	<u>952.27</u>
Less:		
Closing Stocks :		
Finished Goods	733.15	778.43
Scrap	7.77	15.80
	<u>740.92</u>	<u>794.23</u>
	<u>53.31</u>	<u>158.04</u>
(Increase) / Decrease in excise duty and cess on stocks	<u>(11.61)</u>	<u>14.75</u>
Total	<u><u>64.92</u></u>	<u><u>143.29</u></u>

Stock of finished goods comprises:

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Opening Stock :		
Non Alloys Steel Round, Bar & Flat	765.88	826.81
Alloys Steels Round, Bar & Flat	12.55	121.72
Non Alloys Steel Scrap	15.15	3.74
Alloys Steel Scrap	0.65	-
Total:	<u><u>794.23</u></u>	<u><u>952.27</u></u>
Closing Stock :		
Non Alloys Steel Round, Bar & Flat	696.83	765.88
Alloys Steels Round, Bar & Flat	36.32	12.55
Non Alloys Steel Scrap	6.23	15.15
Alloys Steel Scrap	1.54	0.65
Total:	<u><u>740.92</u></u>	<u><u>794.23</u></u>

Note 20 : Employee Benefits Expense

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Salaries, Wages, Bonus & Other Benefits	104.21	118.86
Contribution to Provident Fund & other fund	11.82	1.43
Staff Welfare Expenses	-	0.27
Directors remuneration	30.13	21.60
Total:	<u><u>146.16</u></u>	<u><u>142.16</u></u>



CHANDI STEEL INDUSTRIES LIMITED

Notes to financial statements for the year ended March 31, 2015

Note 21 : Finance Costs

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Interest Expenses		
On Cash Credit	172.56	157.01
On Others [Net of income of ₹ 184.04 lacs (₹ 233.29 lacs)]	361.63	73.84
Finance charges	28.53	12.99
Total:	562.72	243.84

Note 22 : Other Expenses

	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Consumption of Stores and Spares	246.97	213.42
Labour Charges	10.47	7.20
Power and Fuel	351.41	331.34
Repairs and Maintenance:		
- Plant and Machinery	25.20	24.70
- Others	2.98	2.49
Freight and Transportation	100.07	57.28
Rent and Hire	5.03	5.03
Discount Allowed	0.81	0.54
Rates and Taxes	1.36	0.83
Insurance	6.46	6.04
Advertisement	1.07	0.83
Brokerage and Commission	222.32	13.58
Travelling and Conveyance	16.01	10.55
Printing & Stationery	0.38	0.16
Telephone and Postage	0.79	0.66
Legal and Professional Charges	12.89	19.06
Auditors' remuneration		
- Audit Fees	0.45	0.45
- Tax Audit Fees	0.15	0.15
- In Other Capacity for certificates and others	0.11	0.11
Irrecoverable Debts and Advances Written off	0.19	22.13
Charity and Donations	0.45	0.31
Security and Service Charges	11.88	12.73
Miscellaneous Expenses	42.65	29.24
Prior period expenses	-	0.14
Total:	1,060.10	758.97



CHANDI STEEL INDUSTRIES LIMITED**Notes to financial statements for the year ended March 31, 2015****Note 23: CONTINGENT LIABILITIES NOT PROVIDED FOR**

	2014-2015	2013-2014
	Rs. lacs.	Rs. /lacs.
a) Corporate Guarantee given by way of collateral Security in favour of a group company	5427.00	5427.00
b) Sales Tax & Excise Duty matters under dispute/appeal	987.88	693.18
c) Bank Guarantees outstanding	1527.32	1518.58

Note 24: CAPITAL COMMITMENT

Total Capital Commitment outstanding at the year ended 31st March 2015 is Nil (₹ Nil) for coal mining.

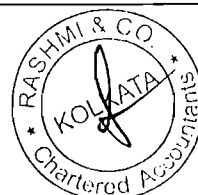
Note 25: DEFERRED TAXATION

As per Accounting Standard –22 issued by The Institute of Chartered Accountants of India, deferred tax expenses and income has been recognized and adjusted by providing deferred tax liability as under

Particulars	(₹ in lacs)	
	As at 31st March, 2015	As at 31st March, 2014
Deferred Tax Liability	Deferred Tax	Deferred Tax
	Liabilities/(Assets)	Liabilities/(Assets)
Timing difference on depreciable asset	118.81	109.81
	118.81	109.81
Deferred Tax Assets		
Provision/Expenses allowable in future under Income Tax Act.	4.40	3.49
	4.40	3.49
Net Deferred Tax Liabilities /(Asset)	114.41	106.32
<u>Less:</u> Provided till last year	106.32	102.08
Increased in Deferred Tax Liability/(Assets)	8.09	4.24

Note 26: DILUTED & BASIC EARNING PER SHARE OF ₹ 10/-

Particulars		31.03.2015	31.03.2014
Profit After Tax (Rs)	Rs. in lacs	10.11	6.09
Weighted average number of equity share	Number	10,535,000	10,535,000
Basic/Diluted Earning per Share	In Rupees	0.10	0.06



CHANDI STEEL INDUSTRIES LIMITED**Notes to financial statements for the year ended March 31, 2015****Note 27: CONFIRMATION OF DEBTORS, CREDITORS AND DUES OF SMALL SCALE UNITS**

In the absence of balance confirmation from Sundry Debtors, Creditors, Loans, Advances and Deposits which are on selective basis, the balances appearing in the books of accounts have been taken as correct.

There are no amounts outstanding to Small Scale Industrial undertaking as on 31.03.2015.

Note 28: (a) DEFINED BENEFIT PLAN**GRATUITY**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than The Provisions of Payment of Gratuity Act, 1972. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The disclosures required under Accounting Standard 15 'Employee Benefits' notified in the Companies (Accounting Standards) Rules 2006 are given below:

I. Expenses recognized in the statement of Profit & Loss Account for the year ended 31st March 2015:

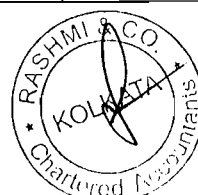
(₹ in lacs)		
Particulars	2014-15	2013-14
Current service cost	2.95	4.73
Interest cost on benefit obligation	2.10	2.24
Expected return on plan assets	(1.52)	(1.33)
Net actuarial loss / (gain) recognized in the year	1.59	(11.68)
Total Expenses / (Income)	5.12	(6.03)
Actual Contribution	0.06	2.17

II. Net Liability / (Assets) recognized in the Balance Sheet as at 31st March 2015:

(₹ in lacs)		
Particulars	As at 31st March, 2015	As at 31st March, 2014
Present value of Defined Benefits Obligation	29.19	22.92
Fair value of plan assets	18.32	17.11
Net Assets / (liability)	(10.87)	(5.81)

III. Change in the present value of the defined benefit obligation during the year ended 31st March 2015:

(₹ in lacs)		
Particulars	2014-15	2013-14
Present Value of Defined Benefit Obligation at the beginning of the year	22.92	27.73
Current Service Cost	2.95	4.73
Interest Cost	2.10	2.24
Actuarial Loss / (Gain)	1.58	(11.64)



CHANDI STEEL INDUSTRIES LIMITED**Notes to financial statements for the year ended March 31, 2015**

Benefit Payments	(0.37)	(0.14)
Present Value of Defined Benefits Obligation at the year end	29.19	22.92

IV. Change in the Fair Value of Plan Assets during the year ended 31st Mar 2015:**(₹ in lacs)**

Particulars	2014-15	2013-14
Fair Value of Plan Assets at the beginning of the year	17.10	13.72
Expected Return on Plan Asset	1.53	1.32
Contribution by Employer	0.59	2.17
Actuarial Gains/ (Losses)	0.00	0.04
Benefit Payments	(0.37)	(0.14)
Fair Value of Plan Assets at the year end	18.31	17.11

V. The major categories of plan assets as a percentage of the fair value of the total plan assets

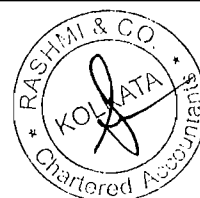
Particulars	2014-15	2013-14
Investment with the insurer	100.00%	100.00%

VI. The principal assumptions used in determining gratuity and leave obligations for the Company's plans are shown below.

Particulars	2014-15	2013-14
Discount Rate	7.80%	9.25%
Expected Rate of return on assets	9.00%	9.00%
Rate of increase in salaries	10.00%	10.00%
Mortality Table	Indian Assured Life Mortality (2006-08) (Modified)Ult.	Indian Assured Life Mortality (2006-08) (Modified)Ult.

VII. Amounts for the current and previous year are as follows:***(₹ in lacs)**

Particulars	As at 31st March, 2015	As at 31st March, 2014
Defined benefit obligation	(29.19)	(22.92)
Plan Assets	18.32	17.11
Surplus / (Deficit)	(10.87)	(5.81)
Experience Gain/ (Loss) Adjustments on plan liabilities	2.27	8.66
Experience Gain/ (Loss) Adjustments on plan assets	0.00	0.03
Actuarial Gain / (Loss) due to change on assumptions	(3.86)	2.98



CHANDI STEEL INDUSTRIES LIMITED**Notes to financial statements for the year ended March 31, 2015**

* AS -15 (Revised) on Employee Benefits was adopted by the Company from 1st April 2007 and hence, the above disclosures have been made accordingly.

Note:

- i. The Company expects to contribute ₹ 10.87 lacs to Gratuity Fund in 2015-16.
- ii. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
The above information is certified by the Actuary.
- iii. The management has relied on the overall actuarial valuation conducted by the actuary.

(b) DEFINED CONTRIBUTION PLAN

The Company makes provident fund contribution to defined contribution plans for qualifying employees, under the schemes the company is required to contribute a specific percentage of the payroll cost to fund the benefits. The company recognized ₹ 4.44 lacs (for 2013-14 ₹.4.54 lacs) for provident fund contribution in the statement of profit & loss. The Contribution payables to these plans by the company are at the rates specified in the rule of the scheme.

Note 29: Value of Indigenous Material Consumed.

(₹ in lacs)		
Class Of Goods	2014-15	2013-14
RAW MATERIAL	4147.60	3009.31
STORES & SPARES	246.97	213.41

Note 30: SEGMENT REPORTING (AS – 17)

The Company is predominantly engaged in production and sale of Iron & Steel and other connected products, which are subject to similar risks and returns. Moreover, there is no separate geographical segment. Hence, segment reporting is not applicable as prescribed by AS – 17

Note 31: RESEARCH AND DEVELOPMENT EXPENDITURE

No amount has been incurred in Account of research and development expenditure.



CHANDI STEEL INDUSTRIES LIMITED**Notes to financial statements for the year ended March 31, 2015****Note 32: RELATED PARTY TRANSACTIONS (AS – 18)**

- (A) List of related parties over which control of the company exist – None
- (B) Name of the related Parties with whom the transaction were carried out during the year

Name of the Related Parties	Relationship
Jai Balaji Industries Limited	Associates
Jai Salasar Balaji Industries Pvt. Ltd.	Associates
Balaji Ispat Udyog	Associates
Jai Balaji Jyoti Steels Ltd.	Associates
Jai Balaji Infotech Limited	Associates
Nilachal Iron & Power Ltd.	Associates
Sri Devendra Prasad Jajodia	KMP*
Sri Varun Jajodia	KMP*
Smt Kanchan Jajodia	KMP*
Smt Sangeeta Jajodia	KMP*
Sri Harsh Jajodia	KMP*
Sri Vijay Singh	KMP*
Smt Seema Chowdhury	KMP*

*KMP = Key Managerial Person



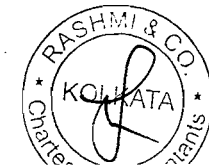
CHANDI STEEL INDUSTRIES LIMITED
Balance Sheet as at March 31, 2015

(C) Related Parties Transactions:

(₹ in lacs)

Relation	Purchases	Sales	Interest Received	Interest Paid	Balance Payable	Balance Receivable	Corporate Guarantee Given / (Taken)	Salary / Managerial Remuneratio	Rent Paid
Associates									
Jai Balaji Industries Limited	84.74 (1,072.51)	504.62 (234.38)	- -	275.35 (271.85)	2,120.04 (2,536.01)	-	(2,530.00) (-2,530.00)	- -	- -
Jai Salasar Balaji Industries (P) Ltd.	2,991.62 (1,001.17)	181.23 (124.80)	179.18 (228.14)	- -	- -	945.63 (1,826.37)	- -	- -	- -
Balaji Ispat Udyog	- -	2.30 (27.30)	- (5.14)	1.63 -	- -	- -	- -	- -	- -
Jai Balaji Jyoti Steels Ltd.	- -	- -	- -	433.82 (370.18)	3,375.17 (3,245.92)	- -	- -	- -	- -
Jai Balaji Infotech Limited	- -	- -	- -	- -	- (52.05)	2.59 -	- -	- -	- -
Nilachal Iron & Power Ltd.	- -	- -	- -	- -	- -	- -	5,427.00 5,427.00	- -	- -
Key Managerial Person									
Devendra Prasad Jajodia	- -	- -	- -	- -	- -	- -	- -	36.00 (36.00)	- -
Harsh Jajodia	- -	- -	- -	- -	- -	- -	- -	11.40 (11.40)	- -
Varun Jajodia	- -	- -	- -	- -	- -	- -	- -	11.40 (11.40)	- -
Vijay Singh	- -	- -	- -	- -	- -	- -	- -	2.07 -	- -
Seema Chowdhury	- -	- -	- -	- -	- -	- -	- -	2.05 -	- -
Relatives of Key Managerial Person									
Sangeeta Jajodia	- -	- -	- -	- -	- -	- -	- -	- -	0.96 (0.96)
Kanchan Jajodia	- -	- -	- -	- -	- -	- -	- -	- -	3.60 (3.60)

Note:- Out of above Interest ₹ 178.26 lacs (₹ 343.64 lacs) and Remuneration charges ₹ 7.20 lacs (₹ 14.41 lacs) has been transfer to Capital Work in Progress.



CHANDI STEEL INDUSTRIES LIMITED

Notes to financial statements for the year ended March 31, 2015

Note 33: Earnings in foreign currency transactions for the year
F.O.B Value of Exports ₹. 733.11 lacs (₹ 747.190 lacs).

Note 34: Details of Borrowing cost Capitalized
Borrowing cost capitalized during the year Rs ₹ 178.26 lacs (₹ 343.64 lacs)

Note 35: The figures for the previous periods are re-classified/re-arranged/re-grouped, wherever necessary as per the format revised by SEBI in conformity with the amended schedule III of the Companies Act, 2013.

In terms of our report of even date

For Rashmi & Co.
Firm Regn. No.309122E
Chartered Accountants



Sandeep Agarwal
CA Sandeep Agarwal
Partner
Membership No. 065643
Place: Kolkata
Dated: May 26, 2015

For and on behalf of the Board of Directors

P. Jajodia
Devendra Prasad Jajodia
Managing Director

Vijay Singh
Vijay Singh
Chief Financial Officer

Seema Chowdhury
Seema Chowdhury
Company Secretary

37th Annual General Meeting
Tuesday, 29th September, 2015,
at 11:00 a.m.

CHANDI STEEL INDUSTRIES LIMITED
CIN No.: L13100WB1978PLC031670

3, Bentinck Street, Kolkata – 700 001,
Phone: 91-33-2248 9808, 2248 8173, Fax: 91-33-2243 0021/ 2210 7893 / 2242 6263
E-mail: cschandisteel@jaibalajigroup.com, Website: www.jaibalajigroup.com

ATTENDANCE SLIP

Folio/DP Id-Client Id:
Name of the Shareholder:
Address of the Shareholder:

I hereby record my presence at the 37th Annual General Meeting of the Company held on Tuesday, 29th September, 2015 at 11:00 a.m. at 3, Bentinck Street, Kolkata – 700 001.

Name of the Proxy (in BLOCK LETTERS)

Signature of the Shareholder/Proxy Present

ELECTRONIC VOTING PARTICULARS

EVSN	User Id	Password
150901022		

For e-voting instructions, kindly refer to the Notice of the 37th Annual General Meeting of the Company.



37th Annual General Meeting
Tuesday, 29th September, 2015,
at 11:00 a.m.

CHANDI STEEL INDUSTRIES LIMITED
CIN No.: L13100WB1978PLC031670

3, Bentinck Street, Kolkata – 700 001,
Phone: 91-33-2248 9808, 2248 8173, Fax: 91-33-2243 0021/ 2210 7893/ 2242 6263
E-mail: cschandisteel@jaibalajigroup.com, Website: www.jaibalajigroup.com

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

FORM MGT – 11

PROXY FORM

Name of the Member(s): _____
Registered Address: _____
E-mail Id: _____
Folio No. /Client ID No. : _____ **DP ID No.:** _____

I/We, being the member(s) of _____ equity shares of Chandi Steel Industries Limited, hereby appoint:

- Name: _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him/her
- Name: _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him/her
- Name: _____ Address: _____
E-mail Id: _____ Signature: _____.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the Company, to be held on Tuesday, 29th September, 2015 at 11:00 a.m. at 3, Bentinck Street, Kolkata – 700 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

- Consideration and adoption of the Audited Financial Statement, Report of the Board of Directors and Auditors thereon for the financial year ended 31st March, 2015.
- Appointment of a Director in place of Shri Sanjiv Jajodia (DIN: 00036339), who retires by rotation and being eligible seeks re-appointment.
- Re-appointment of M/s. Rashmi & Company, Chartered Accountants as the Statutory Auditors for the Financial year 2015-16 and fix their remuneration.

Special Business:

- Appointment of Ms. Ekta Agarwal (DIN: 07158376) as an Independent Director.
- Ratification of the remuneration of the Cost Auditors of the Company for the financial year 2015- 16.
- Approval of Related Party Transactions

Signed this _____ day of _____, 2015

Signature of the Member(s): _____

Signature of Proxy holder(s): (1) _____ (2) _____

(3) _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CHANDI STEEL INDUSTRIES LIMITED

CIN No.: L13100WB1978PLC031670

3, Bentinck Street, Kolkata – 700 001,

Phone: 91-33-2248 9808, 2248 8173, Fax: 91-33-2243 0021/ 2210 7893 / 2242 6263

E-mail: cschandisteel@jaibalajigroup.com, Website: www.jaibalajigroup.com

BALLOT FORM
(in lieu of e-Voting)

Sl. No.	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal address	
3.	Registered Folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Number of Shares held	

I/We hereby exercise my/our vote in respect of the resolution(s) to be passed for the businesses stated in the Notice convening the 37th Annual General Meeting of the company to be held on Tuesday, 29th September, 2015 by recording my/our assent or dissent to the said resolution(s) by placing a tick (✓) mark at the appropriate box below:

Sl. No.	Description of resolution	Type of resolution	I/we assent to the resolution	I/we dissent to the resolution
1.	Consideration and adoption of the Audited Financial Statement, Report of the Board of Directors and Auditors thereon for the financial year ended 31st March, 2015.	Ordinary		
2.	Appointment of a Director in place of Shri Sanjiv Jajodia (DIN: 00036339), who retires by rotation and being eligible seeks re-appointment.	Ordinary		
3.	Re-appointment of M/s. Rashmi & Company, Chartered Accountants as the Statutory Auditors for the Financial year 2015-16 and fix their remuneration.	Ordinary		
4.	Appointment of Ms. Ekta Agarwal (DIN: 07158376) as an Independent Director	Ordinary		
5.	Ratification of the remuneration of the Cost Auditors of the Company for the financial year 2015- 16.	Ordinary		
6.	Approval of Related Party Transactions	Special		

Place:**Date:****(Signature of the Shareholder)**