



Nalwa Sons Investments Limited

Annual Report 2011-12



Shri O.P. Jindal

August 7, 1930 - March 31, 2005
O.P. Jindal Group - Founder & Futurist

Board of Directors

Executive Director & Chief Executive Officer	Mahender Kumar Goel
Directors	R.G. Garg Rajinder Parkash Rakesh Garg
Company Secretary	Bhartendu Harit
Bankers	State Bank of India Standard Chartered Bank ICICI Bank Limited
Statutory Auditors	Messrs N.C. Aggarwal & Co. Chartered Accountants

REGISTERED OFFICE

28, Najafgarh Road, Moti Nagar Industrial Area,
New Delhi –110 015 India.
Phone : (011) 45021854, 45021812
Fax : (011) 25928118, 45021982
e-mail address for investors : investorcare@nalwasons.com

CORPORATE OFFICE

Jindal Centre, 12 Bhikaiji Cama Place,
New Delhi – 110 066, India.
Phone:(011) 26188345-60
Fax: (011) 26170691, 26161271

BRANCH OFFICE

O.P. Jindal Marg
Hisar-125 005 (Haryana) India.
Phone: (01662) 222471-83
Fax : (01662) 220476/ 220499

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41st Annual General Meeting

Date : 28th September, 2012 Day : Friday Time : 4:00 p.m.
Place : N.C. Jindal Public School, Road No. 73, West Punjabi Bagh, New Delhi – 110 026.

NOTICE

NOTICE is hereby given that the **41st ANNUAL GENERAL MEETING** of the Shareholders of **NALWA SONS INVESTMENTS LIMITED** will be held **on Friday, the 28th day of September, 2012 at 4.00 p.m. at N. C. Jindal Public School, Road No. 73, West Punjabi Bagh, New Delhi – 110 026** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date and the reports of the auditors and the Board of Directors.
2. To appoint a director in place of Mr. R. G. Garg, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint M/s. N. C. Aggarwal & Co., Chartered Accountants (Firm Regn. No. 003273N) as Statutory Auditors of the Company, to hold office from the conclusion of this annual general meeting to the conclusion of the next annual general meeting and to fix their remuneration.

By order of the Board

(Bhartendu Harit)
Company Secretary

Registered Office:

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

May 30, 2012

NOTES:

- A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- B. A blank proxy form is sent herewith.
- C. The instrument appointing the proxy should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

ADDITIONAL INFORMATION: As required in terms of clause 49 of the listing agreement.

Brief Profile of the director, who retires by rotation and is eligible for re-appointment:

Mr. R.G. Garg

Mr. R.G. Garg holds a B.Sc. Engg. (Hons) degree in mechanical engineering from Punjab Engineering College, Chandigarh. He has over 43 years of rich experience in the steel industry.

Outside Directorship : Nil

Committee Membership: Chairman of Shareholders' / Investors' Grievance Committee and member of Audit Committee of Nalwa Sons Investments Limited

NOTICE

FOR ATTENTION OF SHAREHOLDERS

1. The register of members and share transfer books of the Company will remain closed from Wednesday, 19th September, 2012 to Friday, 21st September, 2012 (both days inclusive).
2. Members are requested to immediately notify to the Registrar any change in their address, in respect of equity shares held in physical mode and to their depository participants (DPs) in respect of equity shares held in dematerialised form.
3. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of their folios and send relevant share certificates to the Registrar & Transfer Agent of the Company.
4. Section 109A of the Companies Act, 1956 extends nomination facility to all shareholders. They may like to avail it.
5. Trading in the Company's equity shares is permissible only in dematerialised form w.e.f. 29th November, 1999. Shareholders are requested to get the shares dematerialised in their own interest.
6. The Securities and Exchange Board of India (SEBI) has recently, vide its Circular No. MRD/DoP/Cir-05/2009 dated 20th May, 2009, made it mandatory for the transferees to furnish copy of PAN card to the Company / RTA for registration of transfer of shares in physical form.
7. ***The Company has an Email Id. 'investorcare@nalwasons.com', which is being used exclusively for the purpose of redressing the complaints of the investors.***

REQUEST TO THE MEMBERS

- * **Members having old share certificates of Jindal Strips Limited and members having share certificates of erstwhile Jindal Ferro Alloys Limited are hereby requested to surrender their share certificates to NALWA SONS INVESTMENTS LIMITED (Formerly: Jindal Strips Limited), O.P. JINDAL MARG, HISAR – 125005 (HARYANA) INDIA, to enable it to issue new share certificates.**
- * Members desiring any information/clarification on the accounts are requested to write to the Company at least seven days in advance, so as to enable the management to keep the information ready at the annual general meeting.
- * In case shares are lost or misplaced, members should immediately lodge a complaint with the police and inform the Company enclosing the original or certified copy of the FIR or an acknowledged copy of the complaint.
- * For expeditious transfer of shares, members should fill in complete and correct particulars in the transfer deed. Wherever applicable, the registration number of the power of attorney should also be quoted in the transfer deed at the appropriate place.
- * Members should keep a record of their specimen signature before lodging shares with the Company to prevent the possibility of a difference in signature at a later date.
- * Members should quote their email addresses, telephone / fax numbers to get a prompt reply to their communications.
- * Members may give their valuable suggestions for improvement of our investor services.
- * As a measure of economy, copies of the annual report will not be distributed at the meeting. Members are requested to bring along their copies.
- * Members/proxies are requested to bring the attendance slip, duly filled in.
- * In pursuance of the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary companies are not being attached. The annual accounts and other related documents of the Subsidiaries are available at the website of the Company and will be made available to any member of the Company who may be interested in obtaining the same. The consolidated financial statements of the Company include the financial results of all the Subsidiary companies. The members, if they desire, may write to the Company Secretary at registered office of the Company to obtain the copy of the annual accounts of the Subsidiary companies.

The annual accounts of the Subsidiary companies would be open and accessible for inspection by the shareholders at registered office of the Company and registered office of the Subsidiary companies on any working day except holidays till the date of the annual general meeting between 11:00 a.m. and 1:00 p.m.

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

DIRECTORS' REPORT

TO

THE MEMBERS,

Your directors have pleasure in presenting the forty first annual report of your Company together with the audited statement of accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

(₹ in Crore)

PARTICULARS	Year Ended 31.3.2012	Year Ended 31.3.2011
Interest and dividend income/ Other Income	20.10	18.66
Profit before Interest, Depreciation and Tax	19.14	18.17
Provision for Income Tax	2.96	2.45
Provision / (Assets) for Deferred Tax	(0.11)	0.08
Net Profit / (Loss) after Tax	16.29	15.64
Add/(Less): Surplus brought forward	52.02	39.51
Profit/ (Loss) available for appropriation	68.31	55.15
Transfer to Statutory Reserve	3.26	3.13
Balance carried to Balance Sheet	65.05	52.02

FINANCIAL, OPERATIONAL REVIEW & FUTURE PROSPECTS

During the year ended 31st March, 2012, the Income of the Company by way of dividend, interest and other income has gone up by around 7.72% at ₹ 20.10 crore as compared to ₹ 18.66 crore during the previous year. Profit before interest, depreciation and tax stood at ₹ 19.14 crore as compared to ₹ 18.17 crore during previous year. Net Profit after tax has gone up by around 4.16% at ₹ 16.29 crore as compared to ₹ 15.64 crore during the previous year.

An amount of ₹ 3.26 crore was transferred to Statutory Reserve Fund pursuant to Section 45-IC of the Reserve Bank of India Act, 1934, during the financial year under review.

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

DIVIDEND

The Directors have not recommended declaration of any dividend on equity shares for the year ended 31st March, 2012 in order to conserve the resources for future years.

PAYMENT OF LISTING FEE

The equity shares of your Company are presently listed on BSE Limited, Mumbai (BSE) and National Stock Exchange of India Limited, Mumbai (NSE). The annual listing fee for the year 2012-13 has been paid to both the stock exchanges where the equity shares of your Company are listed.

CONSOLIDATED FINANCIAL STATEMENTS

As required under clause 32 of the listing agreements with the stock exchanges, audited consolidated financial statements form part of the Annual Report.

FIXED DEPOSIT

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

RESERVE BANK OF INDIA GUIDELINES

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

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

DIRECTORS

Mr. R.G. Garg, Director, will retire at the annual general meeting by rotation and, being eligible, offers himself for re-appointment.

Brief resume of Mr. R.G. Garg, nature of his expertise in specific functional areas and names of companies in which he holds the directorship and the membership/ chairmanship of committees of the board, as stipulated under clause 49 of the listing agreement with the stock exchanges, appear in the Notice of annual general meeting, which forms part of this annual report.

AUDITORS

M/s. N.C. Aggarwal & Co., Statutory Auditors of the Company retire at the conclusion of ensuing annual general meeting. The Company has received intimation from them to the effect that their appointment, if made, would be within the limit prescribed under section 224(1B) of the Companies Act, 1956. Accordingly, they are proposed to be re-appointed as Statutory Auditors of the Company for the year 2012-13.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

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

Since the Company is not engaged in any manufacturing activity, particulars under section 217(1)(e) of the Companies Act, 1956 regarding conservation of energy, technology absorption are not available.

Foreign exchange earnings : Nil

Foreign exchange outgo : Nil

PARTICULARS OF EMPLOYEES

During the year ended 31st March, 2012, the Company has not paid any remuneration attracting the provisions of Companies (Particulars of Employees) Rules, 1975 read with section 217(2A) of the Companies Act, 1956. Hence no information is required to be appended to this report in this regard.

SUBSIDIARY COMPANIES

The Company has four subsidiaries namely Jindal Holdings Limited, Jindal Steel & Alloys Limited, Jindal Stainless (Mauritius) Limited and Massillon Stainless Inc., USA.

In pursuance of the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the balance sheet of the Company. The annual accounts and other related documents of the subsidiaries are available at the website of the Company and will be made available to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will be kept open for inspection by any shareholder at the registered office of the Company and of the respective subsidiary companies. The consolidated financial statements of the Company include the financial results of all the subsidiary companies.

The members, if they desire, may write to Company Secretary at registered office of the Company to obtain the copy of the annual report of the subsidiary companies.

DEMATERIALISATION OF SHARES

The members, those who have not yet dematerialised their shares, are advised to get their shares dematerialised as trading of the shares is permissible in the demat form only.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to directors' responsibility statement, it is hereby confirmed:

- (a) that in the preparation of the annual accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (b) that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the directors have prepared the accounts for the financial year ended 31st March, 2012 on a 'going concern' basis.

CORPORATE GOVERNANCE

A separate report on corporate governance and a certificate from statutory auditors regarding compliance of conditions of corporate governance as stipulated under clause 49 of the listing agreement with the stock exchanges form part of the annual report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under clause 49 of the listing agreements with the stock exchanges is enclosed with this report.

ACKNOWLEDGEMENT

Your Directors would like to place on record their deep sense of appreciation for the continued assistance and co-operation by the Reserve Bank of India, other banks, Central and State Governments, SEBI, Stock Exchanges, all regulatory bodies and the shareholders during the year under review.

For and on behalf of the Board of Directors

Mahender Kumar Goel
Executive Director & C.E.O.

Rajinder Parkash
Director

Place: Hisar
Date : 30th May, 2012

CORPORATE GOVERNANCE

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

A report on corporate governance is given below:

1. Company's philosophy on the code of corporate governance:

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

2. Board of Directors:

(i) Composition of Board

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

Executive Directors:			
Sr. No.	Name of Director	Particulars	Status
1.	Mr. Mahender Kumar Goel	Executive Director & Chief Executive Officer	Non-Independent
Non Executive Directors:			
Sr. No.	Name of Director	Particulars	Status
1.	Mr. R.G. Garg	Director	Independent
2.	Mr. Rajinder Parkash	Director	Independent
3.	Mr. Rakesh Garg	Director	Independent

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

(ii) Board Meetings

During financial year 2011-12, five Board meetings were held on 30th May, 2011, 7th July, 2011, 8th August, 2011, 10th November, 2011 and 6th February, 2012. The maximum time gap between any two meetings was not more than four calendar months.

(iii) Attendance of Directors & other Directorships

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

Sr. No.	Name of the Director	No. of Equity Shares held	Attendance Particulars		No. of Total Directorships and Committee Memberships/ Chairmanships in Limited Companies (Excluding Remuneration Committee)		
			Board Meetings	Last AGM	Total Directorships	Committee Memberships	Committee Chairmanships
1	Mr. Mahender Kumar Goel	-	5	No	3	-	-
2.	Mr. R.G. Garg	120	1	No	1	1	1
3.	Mr. Rajinder Parkash	-	5	No	3	1	1
4.	Mr. Rakesh Garg	16	4	Yes	1	2	-

None of the directors on the Board is a director in more than 15 companies (as specified in section 275 of the Companies Act, 1956) and is a member of more than 10 committees and chairman of more than 5 committees (as specified in clause 49 of the listing agreement) across all the companies in which he is a director.

3. Audit Committee:**Composition and attendance:**

An Audit Committee constituted in terms of section 292A of the Companies Act, 1956 as introduced by the Companies (Amendment) Act, 2000 and as per requirement of clause 49 of the Listing Agreement, comprises following independent non-executive directors:

1.	Mr. Rajinder Parkash	-	Chairman
2.	Mr. R.G. Garg	-	Member
3.	Mr. Rakesh Garg	-	Member

Mr. Bhartendu Harit, Company Secretary, is the Secretary of the audit committee.

During financial year 2011-12, four Audit Committee meetings were held on 30th May, 2011, 8th August, 2011, 10th November, 2011 and 6th February, 2012. Mr. R.G. Garg, Mr. Rajinder Parkash and Mr. Rakesh Garg were present in all the four meetings.

Terms of Reference:

Terms of reference of the Audit Committee are as per section 292A of the Companies Act, 1956 and the guidelines set out in the listing agreement with the stock exchanges.

4. Remuneration Committee:**Composition and attendance:**

The Remuneration Committee of the Company comprises the following directors:

1.	Mr. R.G. Garg	-	Chairman
2.	Mr. Rajinder Parkash	-	Member
3.	Mr. Rakesh Garg	-	Member

During financial year 2011-12, a meeting of Remuneration Committee was held on 8th August, 2011. Mr. R.G. Garg, Mr. Rajinder Parkash and Mr. Rakesh Garg were present in the meeting.

Terms of Reference:

To determine the remuneration packages of the executive directors.

Remuneration of Executive Directors:

Details of the remuneration paid to the Executive Director for the financial year ended 31st March, 2012 is given below:

(Amount in ₹)

Name of Director	Designation	Basic Salary	Contribution to PF	Others	Total
Mr. Mahender Kumar Goel	Executive Director & Chief Executive Officer	5,96,400	71,568	7,36,398	14,04,366

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

Remuneration Policy:

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

Sitting fees paid to Non Executive Directors:

No sitting fee and no commission was paid to any director.

5. Shareholders' / Investors' Grievance Committee:

Shareholders' / Investors' Grievance Committee of the Company comprising Mr. R.G. Garg, Chairman, Mr. Rajinder Parkash and Mr. Rakesh Garg, looks into the grievances of the shareholders concerning transfer of shares, payment of dividend and non receipt of annual report and recommend measure for expeditious and effective investor service.

The Company has duly appointed share transfer agent (R&T Agent) for servicing the shareholders holding shares in physical or dematerialised form. All requests for dematerialisation of shares are likewise processed and confirmations thereof are communicated to the investors within the prescribed time. The committee also monitors redressal of investors' grievances.

As required by the stock exchanges, the Company has appointed Mr. Bhartendu Harit, Company Secretary as the Compliance Officer to monitor the transfer process and liaison with the regulatory authorities. The Company complies with the various requirements of the listing agreement and the depositories with respect to transfer of shares, the requisite certificates are sent to them within the prescribed time.

No. of shareholders' complaints received during the year ended 31st March, 2012: 8

Number of complaints not solved to the satisfaction of shareholders: Nil

No. of pending complaints: Nil

6. Share Transfer Committee:

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

7. General Body Meetings:

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

Year	Date	Day	Time	Venue
2008-09	30.9.2009	Wednesday	03:30 p.m.	N.C. Jindal Public School, Road No. 73, West Punjabi Bagh, New Delhi – 110 026.
2009-10	30.9.2010	Thursday	03:30 p.m.	- do -
2010-11	30.9.2011	Friday	11:30 a.m.	- do -

No. of special resolutions passed during last three AGMs

AGM	No. of special resolutions
2008-09	0
2009-10	0
2010-11	0

Postal Ballot :

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

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

The Company has not entered into any transaction of material nature with the promoters, the directors or the management, their subsidiaries or relatives etc. that may have any potential conflict with the interests of the Company.

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years; no penalties or strictures have been imposed on the Company by the stock exchanges or SEBI or any other statutory authorities relating to the above.

(iii) Whistle Blower Policy

The employees of the Company are accessible to the senior management for any counseling or consultation and the Company has not denied any employee access to the audit committee.

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

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

Compliance with non-mandatory requirements**(1) Remuneration Committee**

The Company has setup remuneration committee of directors to recommend / review overall compensation structure and policies of the directors.

(2) Shareholders' Rights

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

(3) Audit Qualifications

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

(4) Training of Board members / Mechanism for evaluating non-executive Board members

The Board of Directors of the Company comprises of 3 non-executive directors. The directors appointed on the Board are from diverse fields relevant to the Company's business and have long-standing experience and expertise in their respective fields. They have considerable experience in managing large corporates and have been in public life for decades. The enormously rich background of the Directors is of considerable value to the Company.

(5) Whistle Blower Policy

The employees of the Company are accessible to the senior management for any counseling or consultation and the Company has not denied any employee access to the audit committee.

9. Means of Communication:

i) Quarterly Results	The quarterly, half yearly and yearly financial results of the Company are faxed /sent to the stock exchanges after they are approved by the Board. These are also published in the prescribed format as per the provisions of the listing agreement.
ii) Newspapers wherein results normally published	Financial Express (English), Jansatta (Hindi) <i>(for the year 2011-12)</i>
iii) Website, where displayed	www.nalwasons.com
iv) Whether it also displays official news releases	Yes, wherever applicable
v) The Presentations made to institutional investors or to the analysts	Will be complied with whenever applicable / made.

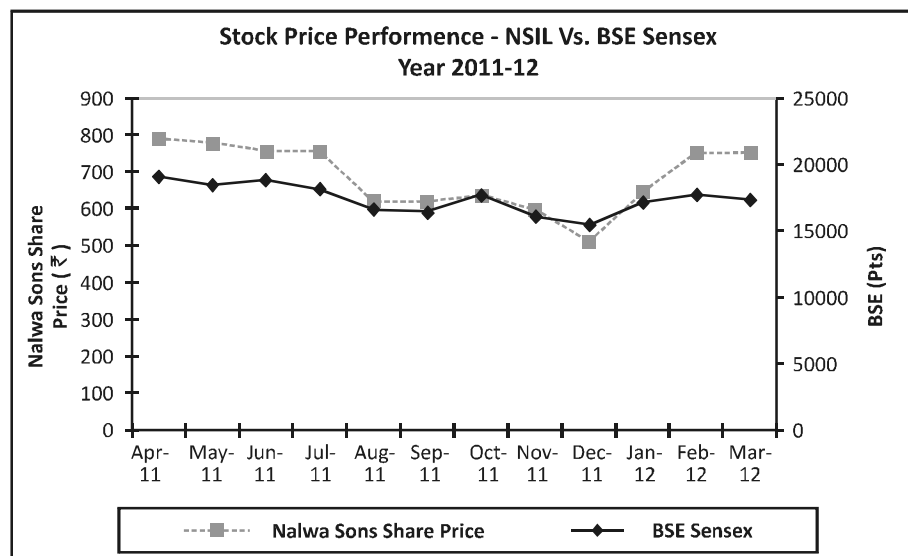
10. General Shareholder Information

10.1 Annual General Meeting	:	
- Date and Time		28th September, 2012 at 4.00 p.m.
- Venue		At N.C. Jindal Public School Road No. 73, West Punjabi Bagh, New Delhi – 110 026.
10.2 Financial Calendar 2012 – 13 (Tentative)	:	Annual General Meeting – (Next Year) September, 2013
		Board Meetings
		Results for quarter ended June 30, 2012 August, 2012
		Results for quarter ending September 30, 2012 November, 2012
		Results for quarter ending December 31, 2012 February, 2013
		Results for quarter ending March 31, 2013 May, 2013
10.3 Book Closure Date	:	19th September, 2012 to 21st September, 2012 (both days inclusive) for annual general meeting.
10.4 (a) Dividend Payment Particulars	:	The Company has not declared dividend for the financial year ended 31st March, 2012.
(b) Nomination Facility	:	The Companies (Amendment) Act, 1999 has provided for a nomination facility to the shareholders of the Company. Your Company is pleased to offer the facility of nomination to shareholders and shareholders may avail this facility by sending the duly completed Form 2B as revised vide Notification no. GSR 836(E) dated 24th October, 2000, Department of Company Affairs, to the Registrar & Transfer Agent of the Company.
(c) Unclaimed Shares	:	244 Share Certificates in respect of 3787 Equity Shares pertaining to 238 Shareholders are lying undelivered with the Company as at March 31, 2012. The Company after sending three reminders to the registered shareholders, requesting for correct particulars to dispatch the undelivered share certificates, will be crediting the unclaimed shares to a Demat Suspense Account to be opened by the Company for this purpose with one of the Depository Participants, if no response is received. Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split etc., shall also be credited to the said Demat Suspense Account. The voting rights on these shares shall also remain frozen till the rightful owner of such shares claims the shares. As and when the rightful owner of such shares approaches the Company at later date, the Company shall to the extent of his / her entitlement, arrange to deliver the shares from the said account to the rightful owner after proper verification of his / her identity.
10.5 Listing of Equity Shares on Stock Exchanges at	:	National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G-Block Bandra - Kurla Complex, Bandra East, Mumbai - 400 051 BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 The company confirms that it has paid annual listing fees due to both the above two stock exchanges.
10.6 Stock Code	:	Trading Symbol-BSE Limited (Demat Segment) 532256 Trading Symbol - National Stock Exchange of India Limited (Demat Segment) NSIL
International Securities Identification Number (ISIN)	:	INE023A01030
Reuters Code	:	NALS.BO (BSE Limited) NALS.NS (National Stock Exchange of India Limited)

10.7 Stock Market Data : **National Stock Exchange (NSE) (in ₹)** **Bombay Stock Exchange (BSE) (in ₹)**

	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April 2011	850.00	715.00	847.00	760.60
May 2011	839.00	742.00	879.95	735.00
June 2011	800.00	728.15	800.10	725.05
July 2011	840.00	740.00	792.95	737.15
August 2011	830.00	610.15	769.00	614.00
September 2011	709.95	610.00	710.00	603.10
October 2011	675.00	590.00	649.95	590.00
November 2011	638.00	590.00	643.85	590.00
December 2011	626.65	512.00	635.00	510.20
January 2012	661.00	510.00	660.95	511.00
February 2012	950.00	631.05	950.00	632.00
March 2012	775.00	700.25	780.00	682.00

10.8 Share price performance in comparison to broad based indices – BSE Sensex



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

10.9 Registrar and Transfer Agent : **Abhipra Capital Limited**
Ground Floor – Abhipra Complex, Dilkhush Industrial Area,
A-387, G.T. Karnal Road, Azadpur, New Delhi – 110 033
Phone No. (011) 42390909, Fax No. (011) 27215530

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

10.11 Distribution of shareholding as at 31st March, 2012 :

By size of shareholders	Shareholders		Equity shares held	
	Number	Percentage	Number	Percentage
1 - 500	26196	99.36	677109	13.18
501 - 1000	82	0.31	59678	1.16
1001 - 2000	29	0.11	42212	0.82
2001 - 3000	9	0.03	21601	0.42
3001 - 4000	7	0.03	24132	0.47
4001 - 5000	7	0.03	32469	0.63
5001 - 10000	4	0.02	25962	0.51
10001 & Above	29	0.11	4253000	82.81
TOTAL	26363	100.00	5136163	100.00
Physical Mode	11970	45.40	254969	4.96
Electronic Mode	14393	54.60	4881194	95.04
By category of shareholders	Equity Shares held			
	Number	Percentage		
Promoters	2856410	55.61		
FIs/Banks/Mutual Funds	30841	0.60		
Corporate Bodies	109871	2.14		
FIIIs	217730	4.24		
NRIs/OCBs	790678	15.39		
Public	1130633	22.02		
TOTAL	5136163	100.00		

10.12 Dematerialisation of shares : On 31st March, 2012, 95.04 % of the shares are in dematerialised form. Trading in equity shares of the company is permitted only in dematerialised form w.e.f. 29th November, 1999 as per notification issued by the Securities and Exchange Board of India (SEBI).

Liquidity : The company's shares are among the liquid and regularly traded shares on the National Stock Exchange and BSE Limited.

10.13 Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion dates and likely impact on equity. : Nil

10.14 Plant locations : Nil

10.15 Investor Correspondence :

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

Name : Mr. Jeewat Rai
Address : Abhipra Capital Limited (Unit: NSIL)
Ground Floor – Abhipra Complex,
Dilkhush Industrial Area, A-387, G.T. Karnal Road,
Azadpur, New Delhi – 110 033
Phone No. : (011) 42390909
Fax No. : (011) 27215530
Email : investorcare@nalwasons.com

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

Important Communication to Members:

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

11. OTHER INFORMATION

(a) Risk Management Framework:

The Company has laid down mechanisms to inform Board members about the risk assessment and minimization procedures and periodical reviews to ensure that risk is controlled by the executive management through the means of a properly defined framework.

(b) CEO and CFO Certification

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

(c) Code of Conduct

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

To the Shareholders of Nalwa Sons Investments Limited

Sub.: Compliance with Code of Conduct

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

Place : Hisar
Date : May 30, 2012

Mahender Kumar Goel
Executive Director & C.E.O.

General Disclosures

- (i) A summary of transactions with related parties in the ordinary course of business is periodically placed before the audit committee;
- (ii) The mandatory disclosure of transactions with related parties in compliance with Accounting Standard AS-18 is a part of this annual report;
- (iii) In preparing with annual accounts in respect of the financial year ended 31st March, 2012, no accounting treatment was different from that prescribed in the Accounting Standards;
- (iv) The Company has a Code of Conduct for Prevention of Insider Trading in the shares of the Company for directors and other identified persons in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and
- (v) The Company did not make any public issue, rights issue or preferential issue of any security during the financial year ended 31st March, 2012.

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

To the members of Nalwa Sons Investments Limited

We have examined the compliance of conditions of Corporate Governance Procedure implemented by Nalwa Sons Investments Limited for the year ended on March 31, 2012 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 procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchanges have been complied with in all material respect by the Company and that no investor grievance(s) is/are pending for exceeding one month against the Company as per the records maintained by the Shareholders Grievance/Allotment & Transfer Committee of the Board.

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

(G.K. Aggarwal)
Partner

Place : Hisar
Dated: May 30, 2012

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW - FINANCIAL PERFORMANCE

During the year ended 31st March, 2012, the Income of the Company by way of dividend, interest and other income has gone up by around 7.72% at Rs.20.10 crore as compared to Rs.18.66 crore during the previous year. Profit before interest, depreciation and tax stood at Rs.19.14 crore as compared to Rs.18.17 crore during previous year. Net Profit after tax has gone up by around 4.16% at Rs.16.29 crore as compared to Rs.15.64 crore during the previous year.

OUTLOOK

Your Company is registered as a Non Banking Finance Company (NBFC) as per provisions of Section 45 IA of the Reserve Bank of India Act, 1934. In terms of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Company is a 'Systematically Important Non-Deposit Taking Non-Banking Financial Company' (i.e. a non-banking financial company not accepting / holding public deposits and having an asset size of more than Rs.100 crore). The investments made by the Company are long term strategic investments with an objective of achieving value enhancement for the benefit of the shareholders at large.

Your Company continues to hold significant investments in equity shares of steel manufacturing companies of O.P. Jindal group. The performance of the Investee Companies are expected to improve in the current financial year, which would result in higher dividend payouts in the coming year.

OPPORTUNITIES AND THREATS

Considering that the economy on the whole is again on the path of growth, the Company foresees a lot of opportunities coming up for equity participation in new projects / expansion of existing projects of the Investee companies in the future. The Company can also explore other opportunities in the capital market, which may come up.

The Company holds significant investments in equity of steel companies. The steel industry is characterized by fluctuations in prices. Downward movement in the steel prices and demand could adversely affect margins of the steel companies which could be a major threat to the Company's fortunes.

RISK AND CONCERNS

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

ADEQUACY OF INTERNAL CONTROL SYSTEM

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

HUMAN RESOURCE DEVELOPMENT

The Company recognizes that its human resource is its strength in realizing its goals and objectives.

CAUTIONARY STATEMENT

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

AUDITORS' REPORT

TO

THE MEMBERS' OF

NALWA SONS INVESTMENTS LIMITED

We have audited the attached Balance Sheet of NALWA SONS INVESTMENTS LIMITED as at 31st March 2012 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that-

- A) As required by the Companies (Auditor's Report) Order 2003 and the related amendment to Companies (Auditors Report) order 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto, a statement on the matters specified in paragraphs 4 and 5 of the said Order, so far as applicable to the Company.
- B) Further to our comments in Annexure referred to in paragraph (A) above, we also report that:
- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) In our opinion, the Company has kept proper books of accounts as required by law so far as appears from our examination of books.

- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company.
- (d) In Our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (e) Based on representation made by all the directors of the company to the Board and the information and explanations as made available to us by the company, none of the directors of the company is disqualified as on 31st March, 2012 from being appointed as director of the company as referred to in clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes thereon 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.

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012, and
- ii. In the case of the Profit and Loss Account, of the Profit for the year ended on that date and
- iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

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

Place : Hisar
Dated : 30th May, 2012

AUDITORS' REPORT

ANNEXURE TO AUDITORS' REPORT

REFERRED TO IN PARAGRAPH (A) IN OUR REPORT OF EVEN DATE FOR THE YEAR ENDED 31.03.2012

1. a) The Company has maintained proper records in respect of its Fixed Assets showing full particulars including quantitative details and situation of fixed assets.
- b) We have been informed that fixed assets of the Company have been physically verified by the management during the year, which in our opinion is reasonable. No discrepancies between the book records and the physical inventory were noticed.
- c) No fixed assets were disposed off during the year.
2. a) As informed to us, the Company has not given any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (b) to (d) of The Order are not applicable
- b) As informed to us, the Company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (f) and (g) of The Order are not applicable.
3. In our opinion and according to information and explanations given to us, the internal control system with regard to purchase and sale of inventories (including investments) and purchase of fixed assets is adequate and commensurate with the size of the company and the nature of its business.
4. In our opinion and according to the information and explanations given to us, there are no particulars of contracts or arrangements required to be entered into the register maintained under Section 301 of the Companies Act, 1956, Hence, paragraph 4(v) (b) of the order is not applicable.
5. The Company has not accepted any fixed deposit from the public. Therefore the provisions of Section 58A, 58AA or any other relevant provisions of the Act and rules framed there under are not applicable to the Company.
6. The Company has an adequate internal audit system, commensurate with its size and nature of business.
7. a) The company is regular in depositing with the appropriate authorities undisputed statutory dues including Employees Provident Fund, Investor Education and Protection Fund and Income Tax. There is no arrears as at 31st March 2012 for a period of more than six months from the date it become payable.

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

Name of Statute	Amount (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	49.85	2004-05	Commissioner of Income Tax (Appeal), Delhi
Income Tax Act	89.08	2005-06	Commissioner of Income Tax (Appeal), Delhi
Income Tax Act	275.14	2006-07	Commissioner of Income Tax (Appeal), Delhi
Income Tax Act	173.40	2007-08	Commissioner of Income Tax (Appeal), Delhi
Income Tax Act	52.81	2008-09	Commissioner of Income Tax (Appeal), Delhi

8. According to the books of account and records of the company, no amount is due to financial institution or bank or debenture holders.
9. The Company does not have accumulated losses as at the end of the financial year. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
10. The Company has not taken any loan from banks, financial institutions or debenture holders. Accordingly paragraph 4(xi) of the order is not applicable.
11. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly paragraph 4(xii) of the order is not applicable.
12. According to the information and explanations given to us, the company has given guarantee for loan taken by others from banks/financial institutions, the terms and conditions of which are prima facie, not prejudicial to the interest of the company.
13. The Company did not have any term loans outstanding during the year.

AUDITORS' REPORT

14. The Company has maintained proper records of transactions and contracts in respect of dealing and trading in shares, securities, debentures and other investments and that timely entry have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name except investment in a subsidiary company pursuant to section 49(3) of the Companies Act, 1956.
15. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, there are no funds raised on short-term basis which have been used for long-term purposes.
16. According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the companies Act, 1956.
17. The company has not issued any debentures. Accordingly paragraph 4(xix) of the order is not applicable.
18. The Company has not raised any money by Public issue during the year. Accordingly paragraph 4(xx) of the order is not applicable.
19. During the course of our examination of the books and records of the Company, and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

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

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

Place : Hisar
Dated : 30th May, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	As at 31.03.2012 (₹ in Lacs)	As at 31.03.2011 (₹ in Lacs)
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds			
(a) Share Capital	1	513.62	513.62
(b) Reserves and Surplus	2	30,678.59	29,049.21
2. Non-Current Liabilities			
(a) Long Term Provisions	3	5.40	4.00
3. Current Liabilities			
(a) Other Current Liabilities	4	47.30	41.15
(b) Short-Term Provisions	5	35.33	2.52
TOTAL		31,280.24	29,610.50
II. ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	6	0.82	0.91
(b) Non-Current Investments	7	17,511.66	17,511.66
(c) Deferred Tax Assets (net) (Refer para 13 of Note No. 15)		184.49	173.49
2. Current Assets			
(a) Cash and Cash Equivalents	8	46.64	32.67
(b) Short-term Loans and Advances	9	13,011.35	11,891.77
(c) Other Current Assets	10	525.28	-
TOTAL		31,280.24	29,610.50
Significant Accounting Policies and Notes to the Financial Statements	15		

As per our report of even date attached

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

MAHENDER KUMAR GOEL
Executive Director & C.E.O.

RAJINDER PARKASH
Director

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

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 30th May, 2012

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No.	Year ended 31.03.2012 (₹ in Lacs)	Year ended 31.03.2011 (₹ in Lacs)
I. Gross Revenue from Operations	11	2,009.53	1,858.50
II. Other Income	12	0.13	7.65
III. Total Revenue (I +II)		2,009.66	1,866.15
IV. Expenses:			
Employee Benefit Expenses	13	29.62	24.00
Other Expenses & Provisions	14	65.47	25.30
Depreciation and Amortization Expenses		0.09	0.09
Total Expenses		95.18	49.39
V. Profit Before Extraordinary Items and Tax (III - IV)		1,914.48	1,816.76
VI. Extraordinary Items		-	-
VII. Profit Before Tax (V - VI)		1,914.48	1,816.76
VIII. Tax Expense:			
(1) Current Tax		296.10	244.92
(2) Deferred Tax Liability / (Assets)		(11.00)	7.88
IX. Profit/(Loss) for the Year (VII-VIII)		1,629.38	1,563.96
X. Earning per Equity Share:			
(1) Basic		31.72	30.45
(2) Diluted		31.72	30.45
Significant Accounting Policies and Notes to the Financial Statements	15		

As per our report of even date attached

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

MAHENDER KUMAR GOEL
Executive Director & C.E.O.

RAJINDER PARKASH
Director

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

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 30th May, 2012

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2012 (₹ in Lacs)	As at 31.03.2011 (₹ in Lacs)		
NOTE - "1"				
SHARE CAPITAL				
Authorised				
150,00,000 Equity Shares of ₹ 10/- each	1,500.00	1,500.00		
	1,500.00	1,500.00		
Issued, Subscribed and Fully Paid-Up				
51,36,163 (previous year 51,36,163) Equity Shares of ₹ 10/- each	513.62	513.62		
	513.62	513.62		
(a) Reconciliation of the number of shares:				
Equity Shares				
Shares outstanding as at the beginning of the year	5,136,163	5,136,163		
Shares outstanding as at the end of the year	5,136,163	5,136,163		
(b) Details of shareholders holding more than 5% shares in the company:				
Name of Shareholders	No. of Shares	% of holding as at 31.03.2012	No. of Shares	% of holding as at 31.03.2011
Jindal Equipment Leasing and Consultancy Services Ltd.	311,393	6.06	311,393	6.06
Sun Investment Ltd.	504,738	9.83	504,738	9.83
Vrindavan Services Pvt. Ltd.	268,565	5.23	268,565	5.23
Hexa Securities and Finance Co. Ltd.	267,723	5.21	267,723	5.21
Groovy Trading Pvt. Ltd.	488,611	9.51	-	-
Ricky Ishwardas Kirplani	405,511	7.90	406,175	7.91
Keshwani Haresh	304,830	5.93	300,358	5.85
Total	2,551,371	49.67	2,058,952	40.09
(c) Terms/Rights attached to Equity Shares				
The Company has only one class of equity shares having a par value of ₹ 10/- per equity share. Each equity shareholder is entitled to one vote per share.				
NOTE - "2"				
RESERVES AND SURPLUS				
a) Securities Premium Reserve				
As per Last Account	3,004.20		3,004.20	
Closing Balance	3,004.20		3,004.20	
b) General Reserve				
As per Last Account	2,262.77		2,262.77	
Closing Balance	2,262.77		2,262.77	
c) Capital Reserve				
Demerger Account as per scheme of Arrangement and Demerger	17,276.90		17,276.90	
Closing Balance	17,276.90		17,276.90	
d) Statutory Reserve				
As per Last Account	1,303.51		990.72	
Add: Transferred from surplus in profit and loss account	325.88		312.79	
Closing Balance	1,629.39		1,303.51	
e) Surplus in Profit and Loss Account				
Balance as per last financial statements	5,201.83		3,950.66	
Add: Profit after tax transferred from Statement of Profit and Loss	1,629.38		1,563.96	
Less: Transfer to Statutory Reserve	325.88		312.79	
Balance in Profit and Loss Account Carried Forward	6,505.33		5,201.83	
Total Reserve and Surplus	30,678.59		29,049.21	

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2012 (₹ in Lacs)	As at 31.03.2011 (₹ in Lacs)
NON CURRENT LIABILITIES		
NOTE - "3"		
LONG-TERM PROVISIONS		
Provision for gratuity	3.93	2.82
Provision for leave encashment	1.47	1.18
Total Long-Term Provisions	5.40	4.00

CURRENT LIABILITIES

NOTE - "4"		
OTHER CURRENT LIABILITIES		
a) Interest Accrued and due	1.09	1.09
b) Other Payables		
Statutory Dues	28.54	27.88
Dues to Employees	2.73	2.33
Others	14.94	9.85
Total Other Current Liabilities	47.30	41.15

NOTE - "5"

SHORT TERM PROVISIONS		
Other Provisions		
Provisions for Standard Assets (Refer para 6 of Note No. 15)	32.23	-
Provision for Leave Encashment	0.48	0.25
Others	2.62	2.27
Total Short Term Provisions	35.33	2.52

NOTE - "6"

FIXED ASSETS (₹ in Lacs)										
DESCRIPTION	Gross Block				Depreciation			Net Block		
	Cost as on 01.04.11	Additions during the year	Sales/Trfd. during the year	Total as on 31.03.12	Up to 31.03.11	During the year	Written Back	Total as on 31.03.12	As on 31.03.12	As on 31.03.11
Furniture & Fixture	1.14	-	-	1.14	0.50	0.07	-	0.57	0.57	0.63
Other Assets	0.41	-	-	0.41	0.14	0.02	-	0.16	0.25	0.28
Total	1.55	-	-	1.55	0.64	0.09	-	0.73	0.82	0.91
Previous Year	1.55	-	-	1.55	0.55	0.09	-	0.64	0.91	-

NOTES TO THE FINANCIAL STATEMENTS

NOTE - "7"

NON-CURRENT INVESTMENTS

Non Trade Investments

(₹ in Lacs)

Sr. No.	Particulars	As at 31st March, 2012			As at 31st March, 2011		
		Shares/ Deb./ Bonds (No's.)	Face & Paid up Value per Share/ Deb./Bond	Amount	Shares/ Deb./ Bonds (No's.)	Face & Paid up Value per Share/ Deb./Bond	Amount
LONG TERM-OTHER THAN TRADE							
EQUITY SHARES OF							
A SUBSIDIARY COMPANY							
UNQUOTED :							
1	Jindal Holdings Ltd.	16,085,755	10	6,100.70	16,085,755	10	6,100.70
2	Jindal Steel & Alloys Ltd.	7,020,000	10	3,502.00	7,020,000	10	3,502.00
3	Jindal Stainless (Mauritius) Ltd.	10,700,000	US\$1	4,938.99	10,700,000	US\$1	4,938.99
				14,541.69			14,541.69
	Less : Provision for Diminution in Investments			(4,938.99)			(4,938.99)
	SUB TOTAL (A)			9,602.70			9,602.70
B OTHERS							
a) QUOTED							
1	Jindal Saw Ltd.	53,550,000	2	330.70	53,550,000	2	349.84
2	Shalimar Paints Ltd.	274,518	10	135.32	274,518	10	135.32
3	JSW Steel Ltd.	4,548,637	10	1,986.90	4,548,607	10	1,986.90
4	Jindal South West Holdings Ltd.	1,137,145	10	1,182.65	1,137,145	10	1,182.65
5	JSW Energy Ltd.	370	10	0.01	370	10	0.01
6	Jindal Stainless Limited	347,945	2	5.07	347,945	2	5.07
				3,640.65			3,659.79
	Less : Provision for Doubtful Investments			(13.23)			(13.23)
	SUB TOTAL B (a)			3,627.42			3,646.56
b) UNQUOTED							
1	Sun Investments Pvt. Ltd.	17,000	10	1.70	17,000	10	1.70
2	Rohit Tower Building Ltd.	2,400	100	2.40	2,400	100	2.40
3	Stainless Investments Ltd.	1,025,000	10	627.92	1,025,000	10	627.92
4	Mansarovar Investments Ltd.	1,085,000	10	641.00	1,085,000	10	641.00
5	Jindal Equipment Leasing & Consultancy Services Ltd.	1,320,000	10	792.00	1,320,000	10	792.00
6	Jindal Overseas PTE Ltd.	153,000	SING\$ 1	31.38	153,000	SING\$ 1	31.38
7	Brahmputra Capital & Financial Services Ltd.	20,869,000	10	2,086.90	20,869,000	10	2,086.90
8	Saraswat Co. Op. Bank	1,000	10	0.10	1,000	10	0.10
9	Midland Steel Processors Ltd.	200,000	10	10.00	200,000	10	10.00
10	PT Jindal Stainless Indonesia	100	US\$ 1	0.05	100	US\$ 1	0.05
11	Hexa Tradex Limited*	10,710,000	2	19.14	-	-	-
				4,212.59			4,193.45
	LESS : PROVISION FOR DIMINUTION OF INVESTMENTS			(41.38)			(41.38)
	SUB TOTAL B (b)			4,171.21			4,152.07
C 10% REDEMABLE CUMULATIVE PREFERENCE SHARES :							
1	Jindal Equipment Leasing & Consultancy Services Ltd.	110,000	100	110.33	110,000	100	110.33
	SUB TOTAL (C)			110.33			110.33
	G. TOTAL (A TO C)			17,511.66			17,511.66
	AGGREGATE VALUE OF QUOTED INVESTMENTS			3,627.42			3,646.56
	MARKET VALUE OF QUOTED INVESTMENTS			122,020.18			158,616.12
	AGGREGATE VALUE OF UNQUOTED INVESTMENTS			13,884.24			13,865.10

Note:-

- 45,48,637 (Previous Year Nil) Equity Shares of JSW Steel Ltd. have been pledged with Bank/Financial Institution for financial assistance taken by other body corporate.
- * Share was listed on 20th April, 2012.

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2012 (₹ in Lacs)	As at 31.03.2011 (₹ in Lacs)
CURRENT ASSETS		
NOTE - "8"		
CASH AND CASH EQUIVALENTS		
Cash-on-hand *	-	-
Balance with banks		
In Current Account	2.44	32.67
Fixed Deposits (Maturing within three months)	44.20	-
Total Cash and Cash Equivalents	46.64	32.67

* Cash in hand as on 31.03.2012 ₹ 240/- (as on 31.03.2011 ₹ 205/-)

NOTE - "9"

SHORT TERM LOANS AND ADVANCES		
a) Loans and advances to related party		
Unsecured		
Considered doubtful	6.73	6.73
Less: Provision for Non Performing Assets (Refer para 11-B of Note No. 15)	(6.73)	(6.73)
	-	-
b) Loans and advances to others		
Unsecured		
Considered good	12,890.77	11,760.28
Considered Doubtful	578.74	578.74
Less: Provision for Non Performing Assets	(578.74)	(578.74)
	12,890.77	11,760.28
c) Other Loans and Advances		
Loan to employees	0.38	0.58
Prepaid Taxes (Net of Provisions)	120.20	130.91
	120.58	131.49
Total Short Term Loans and Advances	13,011.35	11,891.77

NOTE - "10"

OTHER CURRENT ASSETS		
Interest accrued but not due	0.03	-
Dividend Receivable	525.25	-
Total Other Current Assets	525.28	-

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Year ended 31.03.2012 (₹ in Lacs)	Year ended 31.03.2011 (₹ in Lacs)
NOTE - "11"		
REVENUE FROM OPERATIONS		
a) Interest Income	905.06	749.24
b) Dividend on long term investments	1,104.41	1,109.26
c) Net Gain/loss on Sale of Mutual Funds	0.06	-
Total Revenue from Operations	2,009.53	1,858.50

NOTE - "12"		
OTHER INCOME		
Miscellaneous Receipt	0.13	7.65
Total Other Income	0.13	7.65
Total Revenue	2,009.66	1,866.15

NOTE - "13"		
EMPLOYEE BENEFIT EXPENSES		
Salary and wages	28.23	22.82
Contribution to provident and other fund	1.39	1.18
Total Employee Benefit Expenses	29.62	24.00

NOTE - "14"		
OTHER EXPENSES		
Administrative, Selling & Other Expenses and Provisions		
Rent	0.66	0.66
Legal and professional Fees Expenses	20.76	13.29
Auditors' Remuneration	4.23	3.94
Postage and Telegrams	2.20	2.27
Printing and Stationery	2.65	2.33
Advertisements	1.30	1.29
Provision for Standard Loans (0.25%)	32.23	-
Donation	1.00	1.00
Other Expenses	0.44	0.52
Total Other Expenses	65.47	25.30

NOTES TO THE FINANCIAL STATEMENTS

NOTE NO - "15"

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES:

i) Basis of Preparation of Financial Statements:

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

Consequent to the notification under the Companies Act, 1956, the financial statement for the year ended 31st March, 2012, have been prepared under Revised Schedule VI. Accordingly the previous year figures have also been reclassified as per revised schedule VI.

ii) Foreign Currency Transactions:

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

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

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

iii) Fixed Assets and Depreciation :

a) Fixed Assets

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

b) Depreciation

Depreciation on Fixed Asset is provided on Straight Line Method basis at the rates and in manner specified in schedule XIV of the Companies Act, 1956.

iv) Investments:

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

v) Retirement Benefits:

Defined Benefit Plans:

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

vi) Taxation:

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

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

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

2. Contingent Liabilities not provided for:

	(₹ in Lacs) Current Year	(₹ in Lacs) Previous Year
(i) For Income Tax matters against which company has preferred appeal	687.94	511.36
(ii) Liability towards Corporate Guarantee given to Bank against credit facilities availed by other Body Corporate	—	2612.86

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

4. Loans to Body corporate ₹ 12890.77 lacs (including ₹ Nil of subsidiary companies) (previous year ₹ 11760.28 lacs (including ₹ Nil of subsidiary companies)) are repayable on demand. Aforesaid loans include ₹ 8703.27 lacs to companies which are having accumulated losses. The management is confident of recovering the same as and when recalled and hence amount outstanding have been considered good and recoverable.

NOTES TO THE FINANCIAL STATEMENTS

5. In the opinion of the Board, Value of all assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
6. Provision for standard assets is made at 0.25% of the outstanding standard assets as at 31st March, 2012 in terms of Notification No. DNBS.222/CGM (US)-2011 dated 17/01/2011 issued by Reserve Bank of India.
7. The company operates in single primary segment i.e. investment and finance.
8. (i) Provision for Non Performing Loans and Advances amounting to ₹ Nil (previous year Nil) on doubtful loans have been decided by the management considering prudential norms prescribed by the Reserve Bank of India.
(ii) Detail of provision for Non Performing Assets

	(₹ in Lacs) Current Year	(₹ in Lacs) Previous Year
Opening Balance	585.47	585.47
Add: Provision made during the year	-	-
Closing Balance	585.47	585.47

9. Based on the information available with the Company regarding the status of the supplier under the Micro, Small and Medium Enterprises Development Act, 2006, no amount is due to Micro, Small and Medium Enterprises.
10. As per Accounting Standard 15, "Employees Benefits" the disclosure as defined in the Accounting Standard are given below :

i) Defined Benefit Plan

	Current Year	(₹ in Lacs) Previous Year
i) Defined Contribution/Benefit towards		
Employer's Contribution to Provident Fund	1.32	1.12
Employer's Contribution to ESI	0.07	0.06

Defined Benefit Plans	Current Year		Previous Year	
	Gratuity Unfunded	Leave Encashment Unfunded	Gratuity Unfunded	Leave Encashment Unfunded
Current Service Cost	0.40	0.25	0.34	0.24
Interest Cost	0.25	0.12	0.17	0.08
Expected Return on Plan Assets	—	—	—	—
Actuarial (Gain)/Loss	0.46	0.59	0.22	0.25
Past Service Cost	—	—	—	—
Curtailement and settlement cost/credit	—	—	—	—
Net Cost	1.11	0.96	0.73	0.57
Actual Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
ii) Change in Benefit Obligation				
Present Value of obligation as at the beginning of the year	2.82	1.43	2.09	1.04
Current Service Cost	0.40	0.25	0.34	0.24
Interest Cost	0.25	0.12	0.17	0.08
Benefits Paid	—	(0.43)	—	(0.18)
Curtailement and settlement cost	—	—	—	—
Past Service Cost	—	—	—	—
Actuarial (Gain)/Loss	0.46	0.59	0.22	0.25
Present Value of obligation as at the end of year	3.93	1.95	2.82	1.43
iii) The assumptions used to determine the benefit obligations are follows :				
Discount Rate	8.75%	8.75%	8.25%	8.25%
Salary Escalation	5.25%	5.25%	5.25%	5.25%
Mortality	LIC 94-96 Ultimate			

NOTES TO THE FINANCIAL STATEMENTS

11. Related Parties Transactions

(A) List of Related Parties & Relationship (As identified by the Management)

a) Parties where control exists :

Subsidiaries

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

b) Key Management Personnel :

1. Sh. Mahender Kumar Goel Executive Director
2. Sh. Bhartendu Harit Company Secretary

c) Associate

1. Brahmputra Capital & Financial Services Ltd.

(B) Transactions

Particulars	Current Year				Previous Year			
	Subsidiaries	Key Management Personnel	Associates	Total	Subsidiaries	Key Management Personnel	Associates	Total
(₹ in Lacs)								
Remuneration Paid								
Sh. Mahender Kumar Goel	-	14.04	-	14.04	-	12.08	-	12.08
Sh. Bhartendu Harit	-	11.51	-	11.51	-	8.80	-	8.80
	-	25.55	-	25.55	-	20.88	-	20.88
Outstanding Balance as on 31.03.2012								
Loan Receivable								
Jindal Stainless (Mauritius) Limited	6.73	-	-	6.73	6.73	-	-	6.73
	6.73	-	-	6.73	6.73	-	-	6.73
Equity Investment Outstanding								
Jindal Holdings Limited	6,100.70	-	-	6,100.70	6,100.70	-	-	6,100.70
Jindal Steel & Alloys Limited	3,502.00	-	-	3,502.00	3,502.00	-	-	3,502.00
Jindal Stainless (Mauritius) Limited	4,938.99	-	-	4,938.99	4,938.99	-	-	4,938.99
Brahmputra Capital & Financial Services Ltd.	-	-	2,086.90	2,086.90	-	-	2,086.90	2,086.90
	14,541.69	-	2,086.90	16,628.59	14,541.69	-	2,086.90	16,628.59
Provision outstanding for Non Performing Assets								
Jindal Stainless (Mauritius) Limited	6.73	-	-	6.73	6.73	-	-	6.73
	6.73	-	-	6.73	6.73	-	-	6.73
Provision outstanding for Diminution in Investments								
Jindal Stainless (Mauritius) Limited	4,938.99	-	-	4,938.99	4,938.99	-	-	4,938.99
	4,938.99	-	-	4,938.99	4,938.99	-	-	4,938.99

NOTES TO THE FINANCIAL STATEMENTS

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

(₹ in Lacs)

Particulars	Current Year	Previous Year
Basic and Diluted EPS :-		
Profit/(Loss) after tax attributable to Equity Shareholders	1,629.38	1,563.96
No. of Shares outstanding	5,136,163	5,136,163
Basic and Diluted EPS (in ₹)	31.72	30.45

13 DEFERRED TAX LIABILITY/(ASSET) (NET)

(₹ in Lacs)

Particulars	Deferred Tax Liability/(Asset) 31.03.2011	Current year charge/credit	Deferred Tax Liability/(Asset) 31.03.2012
A) Deferred Tax Liability			
Difference between book & tax depreciation	0.11	(0.01)	0.10
Total Deferred Tax Liability - A	0.11	(0.01)	0.10
B) Deferred Tax Assets			
1. Disallowance under Income Tax Act, 1961	1.38	0.53	1.91
2. Provision for doubtful debts & advances	172.22	-	172.22
3. Provision for standard loans	-	10.46	10.46
Total Deferred Tax Assets - B	173.60	10.99	184.59
Deferred Tax Liability (Assets) (Net) (A-B)	(173.49)	(11.00)	(184.49)

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

(₹ in Lacs)

Particulars	Outstanding amount as at the year end		Maximum amount outstanding during the year	
	Current Year	Previous Year	Current Year	Previous Year
Loan and Advances to Subsidiaries				
Jindal Stainless (Mauritius) Ltd.*	6.73 **	6.73 **	6.73	6.73
	6.73	6.73		
Loan and advances where there is no repayment schedule				
Nalwa Metal and Alloys Limited *	54.66 **	54.66 **	54.66	54.66
Mansarover Investments Ltd.	3,145.63	2,663.29	3,145.63	2,663.29
Jindal Equipment Leasing & Consultancy Services Ltd.	941.86	871.13	941.86	871.13
Everplus Securities & Finance Ltd.	2,254.81	2,089.66	2,254.81	2,089.66
Renuka Financial Services Limited	2,153.16	2,006.80	2,153.16	2,006.80
Goswamis Credits & Investment Ltd.	759.61	707.93	759.61	707.93
Gagan Trading Co. Ltd.*	7.45 **	7.45 **	7.45	7.45
JSW Steel Ltd.*	516.63 **	516.63 **	516.63	516.63
JSL Lifestyle Ltd. (Formerly Austenitic Creations Pvt. Ltd.)	1,738.58	1,734.55	1,743.77	1,740.59
Green Delhi BQS Limited	1,797.12	1,686.91	1,797.12	1,686.91
Om Savitri Jindal Charitable Trust	100.00	-	100.00	-
	13,469.51	12,339.02		

* Provision for Non Performing Assets provided for ₹ 585.47 lacs (Previous year ₹ 585.47 lacs)

** No Interest charged

NOTES TO THE FINANCIAL STATEMENTS

15. (A) Auditors Remuneration includes the following

Particulars	(₹ in Lacs)	
	Current Year	Previous Year
Payment to Auditors		
Audit Fee	2.14	2.10
Tax Audit Fee	0.11	0.11
Certification Work etc.	1.98	1.73
Total	4.23	3.94
(B) Directors' Remuneration includes the followings:		
Remuneration paid to Directors including Executive Director		
Salary including allowance	13.32	11.45
Contribution to Provident Fund etc.	0.72	0.63
Total	14.04	12.08

As per our report of even date attached

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

MAHENDER KUMAR GOEL
Executive Director & C.E.O.

RAJINDER PARKASH
Director

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

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 30th May, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	2011-12 (₹ in Lacs)		2010-11 (₹ in Lacs)	
A. Cash Inflow (Outflow) from the operating activities				
Net Profit/(Loss) before Tax & Extraordinary Items	1,914.48		1,816.76	
Adjustments for :-				
Depreciation	0.09		0.09	
Dividend Income	(1,104.41)		(1,109.26)	
Interest Income	(905.06)		(749.24)	
Net Gain/Loss on Sale of Mutual Funds	(0.06)		-	
Provision for Standard Assets	32.23 (1,977.21)		- (1,858.41)	
Operating Profit Before Working Capital Changes	(62.73)		(41.65)	
Adjustments for :-				
(Increase)/Decrease in Loans & Advances	(1,130.29)		(1,603.08)	
Other Current Assets	-		0.60	
Current Liabilities & Provisions	8.13 (1,122.16)		(3.43) (1,605.91)	
Cash Generated from Operation before Exceptional Items	(1,184.89)		(1,647.56)	
Direct Taxes Refund (Paid)	(285.39)		(245.66)	
Net Gain/loss on Sale of Mutual Funds	0.06			
Interest Received	905.03		749.24	
Dividend Received	579.16 1,198.86		1,109.26 1,612.84	
Net Cash Outflow from Operating Activities	13.97		(34.72)	
B. Cash Inflow/(Outflow) from Investment Activities				
Increase/(Decrease) in Investments	-		-	
Net Cash Inflow from Investment Activities	-		-	
C. Cash Inflow/(Outflow) from Financing Activities				
Dividend paid	-		(5.40)	
Net Cash Inflow/(Outflow) from Financing Activities	-		(5.40)	
Net Changes in Cash and Cash Equivalent	13.97		(40.12)	
Cash and Cash equivalent (Opening Balance)	32.67		72.79	
Cash and Cash equivalent (Closing Balance)	46.64		32.67	

Notes :

- 1 Cash and Cash Equivalent includes Cash and Bank Balances only.
- 2 Previous year's figures have been regrouped wherever necessary.

AUDITORS' REPORT

In terms of our report of even date annexed hereto

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

MAHENDER KUMAR GOEL
Executive Director & C.E.O.

RAJINDER PARKASH
Director

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

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 30th May, 2012

NON-BANKING FINANCIAL STATEMENT

Schedule to the Balance Sheet of a Non-Banking Financial Company for the year ended 31.03.2012

(as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998)

Particulars		(₹ in Lacs)	
Liabilities side :			
(1) Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		Amount outstanding	Amount overdue
(a) Debentures : Secured		-	-
: Unsecured		-	-
(other than falling within the meaning of public deposits*)			
(b) Deferred Credits -		-	-
(c) Term Loan		-	-
(d) Inter-corporate loans and borrowing		-	-
(e) Commercial Paper		-	-
(f) Public Deposits* -		-	-
(g) Other Loans (specify nature) - Short Term Advances		-	-
* Please see Note 1 below			
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :			
(a) In the form of Unsecured debentures		-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		-	-
(c) Other public deposits		-	-
* Please see Note 1 below			
Assets side :		Amount outstanding	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :			
(a) Secured			-
(b) Unsecured			13,476.24
(4) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities :			
(i) Lease assets including lease rentals under sundry debtors :			
(a) Financial lease			-
(b) Operating lease			-
(ii) Stock on hire including hire charges under sundry debtors :			
(a) Assets on hire			-
(b) Repossessed Assets			-
(iii) Hypothecation loans counting towards EL/HP activities :			
(a) Loans where assets have been repossessed			-
(b) Loans other than (a) above			-
(5) Break-up of Investments (Net of Provisions)			
Current Investments :			
1. Quoted :			
(i) Shares: (a) Equity			-
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) Others (please specify)			-
2. Unquoted :			
(i) Shares: (a) Equity			-
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) Others (please specify)			-

NON-BANKING FINANCIAL STATEMENT

Long Term Investments :			
1.	Quoted :		
(i)	Shares :	(a) Equity	3,627.42
		(b) Preference	-
(ii)	Debentures and Bonds		
(iii)	Units of Mutual Funds		
(iv)	Government Securities		
(v)	Others (please specify)		
2.	Unquoted :		
(i)	Shares :	(a) Equity	13,773.91
		(b) Preference	110.33
(ii)	Debentures and Bonds		
(iii)	Units of Mutual Funds		
(iv)	Government Securities		
(v)	Others (please specify)		

(6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :

Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	12,890.77	12,890.77
Total	-	12,890.77	12,890.77

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

Please see Note 3 below

Category	Market value/ Break up/ Fair value/NAV	Book value (Net of Provisions)
	1. Related Parties **	
(a) Subsidiaries	15478.06	9602.70
(b) Companies in the same group	-	-
(c) Other related parties	41654.13	5261.57
2. Other than related parties	88916.61	2647.39
Total	146048.80	17511.66

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

(8) Other Information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	6.73
(b) Other than related parties	578.74
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

Notes:

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

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

MAHENDER KUMAR GOEL
Executive Director & C.E.O.

RAJINDER PARKASH
Director

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

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 30th May, 2012

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

1) Capital to Risk Assets Ratio (CRAR)

Items	Current Year 31.03.2012	Previous Year 31.03.2011
(i) CRAR (%)	124.11%	113.00%
(ii) CRAR - Tier I Capital (%)	124.11%	113.00%
(iii) CRAR - Tier II Capital (%)	Nil	Nil

2) Exposure to Real Estate Sector

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

3) Maturity pattern of certain items of assets and liabilities

	(₹ In Lacs)									
	1day to 30/31 days one month	Over 1 month to 2 months	Over 2 month upto 3 months	Over 3 month to 6 months	Over 6 month to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Demand Loans	Total
Liabilities:										
Borrowings from banks	-	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-	-
Assets:										
Advances(net of NPA's)	-	-	-	-	-	-	12,890.77	12,890.77		
Investments(net of Provision)	-	-	-	-	-	-	17,511.66	-		17,511.66

MAHENDER KUMAR GOEL
Executive Director & CEO

RAJINDER PARKASH
Director

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 30th May, 2012

STATEMENT OF SUBSIDIARY COMPANIES

Statement pursuant to section 212 of the Companies Act, 1956, relating to company's interest in Subsidiary Companies

Particulars	Jindal Holdings Limited	Jindal Steel & Alloys Limited	Jindal Stainless (Mauritius) Limited	Massillon Stainless Inc., USA.
a) Holding Company's interest :	Holder of 16085755 Equity Shares of ₹ 10/- each out of the subscribed capital of 18499820 Equity Shares of ₹ 10/-	Holder of 7020000 Equity Shares of ₹ 10/- each out of the subscribed capital of 7020000 Equity Shares of ₹ 10/-	Holder of 10700000 Equity Shares of US \$ 1 each out of the subscribed capital of 10700000 Equity Shares of US \$ 1	Jindal Stainless (Mauritius) Limited a subsidiary of the company (NSIL) is holding 61 Equity shares of US \$500 out of the subscribed capital of 100 Equity shares of US \$500
b) Financial year of the company ended :	31st March, 2012	31st March, 2012	31st March, 2012	31st March, 2012
c) Net aggregate amount of subsidiary company's profit (loss) not dealt within the company's Account.	(₹ in Lacs)	(₹ in Lacs)	US \$	US \$
i) For the subsidiary company's financial year ended 31st March, 2012 :	463.10	192.82	(14,724.00)	-
ii) For the subsidiary company's previous financial periods, since it became the holding company's subsidiary. :	82.77	4,726.60	(10,765,978.00)	(19,482,085.10)
d) Net aggregate amount of the subsidiary company's profit/loss dealt within the company's Account.				
i) For the subsidiary company's financial period ended 31st March, 2012 :	NIL	NIL	NIL	NIL
ii) For the subsidiary Company's previous financial period since it became the holding Company's subsidiary :	NIL	NIL	NIL	NIL
e) As the financial year of the above subsidiary companies coincides with the financial year of the holding Company section 212(5) of the Companies Act, 1956 is not applicable.	N.A.	N.A.	N.A.	N.A.

MAHENDER KUMAR GOEL
Executive Director & CEO

RAJINDER PARKASH
Director

Place : Hisar
Date : 30th May, 2012

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

CONSOLIDATED AUDITORS' REPORT

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF NALWA SONS INVESTMENTS LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NALWA SONS INVESTMENTS LIMITED AND ITS SUBSIDIARIES

We have examined the attached Consolidated Balance Sheet of Nalwa Sons Investments Limited, its subsidiaries and its interest in associates as at 31st March, 2012, the Consolidated Statement of Profit and Loss Account and also the Consolidated Cash Flow Statement for the year then ended.

1. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted audit standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. We did not audit the financial statements of subsidiary Jindal Steel & Alloys Limited whose financial statements reflect total assets of ₹ 8422.47 lacs as at 31st March, 2012 and total revenues of ₹ 814.71 lacs and cash inflows of ₹ 5.48 lacs and associates, whose financial statements reflect the company's share of loss of ₹ 47 lacs for the year then ended. The financial statements have been audited by other auditor whose reports have been furnished to us, and in our opinion, in so far as it relates to the amounts included in respect of the subsidiary is based solely on the report.
3. We did not audit the financial statements of subsidiary Jindal Stainless (Mauritius) Limited whose unaudited financial statement reflect total asset of ₹ 4.21 lacs as at 31st March, 2012 and total revenues of ₹ Nil and cash inflows of ₹ 1.30 lacs, which were furnished to us by the management, were unaudited. We are unable to express an opinion on true and fair view in so far as it relates to amounts considered in the considered financial statements for the reason as stated above.

4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, and Accounting Standard (AS) 23 Accounting for Investment in Associates in Consolidated Financial Statements as notified by the Companies (Accounting Standards) Rule, 2006.

5. *Attention is invited to the following para's of note no. 21*

- (i) *Para No.12 regarding Massillon Stainless Inc. not a Going Concern.*
- (ii) *Note No. 10(b) regarding Balances of Sundry Debtors, Creditors and bank balance of MSI is Subject to Confirmation.*

Subject to above, on the basis of the information and explanation given to us and on the consideration of the separate audit reports on individual audited financial statements of Nalwa Sons Investments Ltd. and its aforesaid subsidiaries and associate, we are of the opinion that consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) In case of the Consolidated Balance Sheet, of the consolidated state of affair of the Company, its subsidiaries and its interest in associates as at 31st March 2012;
- b) In case of the Consolidated Statement of Profit and Loss Account, of the consolidated results of operations of the Company, its subsidiaries and its interest in associates for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and its subsidiaries for the year ended on that date.

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

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

Place : Hisar
Dated : 30th May, 2012

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2012

Particulars	Note No	(₹ in Lacs)	
		As at 31st March, 2012	As at 31st March, 2011
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	513.62	513.62
(b) Reserves and Surplus	2	34,784.58	35,148.66
Minority Interest		1,059.35	(1,124.73)
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	2,516.20	2,187.50
(b) Long term provisions	4	5.40	4.00
(3) Current Liabilities			
(a) Trade payables	5	742.57	652.38
(b) Other current liabilities	6	213.25	185.91
(c) Short-term provisions	7	37.29	2.54
Total		39,872.26	37,569.88
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	8		
Tangible assets		0.82	0.91
(b) Non-current investments	9	21,663.91	21,710.91
(c) Deferred tax assets (net)	10	184.49	173.49
(2) Current assets			
(a) Inventories	11	727.21	727.21
(b) Trade receivables	12	377.21	217.47
(c) Cash and Cash Equivalents	13	446.91	37.03
(d) Short-term loans and advances	14	15,930.66	14,702.86
(e) Other current assets	15	541.05	-
Total		39,872.26	37,569.88
Significant Accounting Policies and Notes to the Financial Statements	21		

As per our report of even date attached

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

MAHENDER KUMAR GOEL
Executive Director & C.E.O.

RAJINDER PARKASH
Director

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

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 30th May, 2012

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No	(₹ in Lacs)	
		For the Year Ended 31st March, 2012	For the Year Ended 31st March, 2011
I. Revenue from operations	16	3,290.24	3,105.64
Total Revenue from operations		3,290.24	3,105.64
II. Other Income	17	0.16	13.28
III. Total Revenue (I +II)		3,290.40	3,118.92
IV. Expenses:			
Changes in inventories of Stock-in-Trade	18	-	(67.19)
Employees benefit expenses	19	29.62	24.00
Depreciation and amortization expense		0.09	0.09
Other expenses	20	479.18	36.99
Total Expenses		508.89	(6.11)
V. Profit before extraordinary items and tax (III - IV)		2,781.51	3,125.03
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		2,781.51	3,125.03
VIII. Extraordinary Items - Foreign Exchange Translation Difference		(411.26)	31.47
IX. Profit before tax (VII - VIII)		2,370.25	3,156.50
X. Tax expense:			
(1) Current tax		512.22	499.01
(2) Deferred tax		(11.00)	7.88
(3) Previous year tax adjustment		16.24	0.01
(4) MAT Credit Entitlement		(14.21)	(71.76)
XI. Profit/(Loss) for the year (IX-X)		1,867.00	2,721.36
Less: Minority Interest in (Profit)/Loss/written back		(2,184.08)	(98.45)
Add: Share of Profit/(Loss) of Associates		(47.00)	(1.01)
Profit After Taxation and Minority Interest		(364.08)	2,621.90
XII. Earning per equity share:			
Before extraordinary Items			
(1) Basic		0.92	50.44
(2) Diluted		0.92	50.44
After extraordinary Items			
(1) Basic		(7.09)	51.05
(2) Diluted		(7.09)	51.05
Significant Accounting Policies and Notes to the Financial Statements	21		

As per our report of even date attached

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

MAHENDER KUMAR GOEL
Executive Director & C.E.O.

RAJINDER PARKASH
Director

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

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 30th May, 2012

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Particulars	(₹ in Lacs)			
	As at 31st March, 2012	As at 31st March, 2011		
NOTE - "1"				
SHARE CAPITAL				
Authorized				
150,00,000 Equity Shares of ₹ 10/- each	1,500.00	1,500.00		
	1,500.00	1,500.00		
Issued, Subscribed and Fully Paid-Up				
51,36,163 (previous year 51,36,163) Equity Shares of ₹ 10/- each	513.62	513.62		
Total Share Capital	513.62	513.62		
(a) Reconciliation of the number of shares:				
Equity Shares				
Shares outstanding as at the beginning of the year	5,136,163	5,136,163		
Shares outstanding as at the end of the year	5,136,163	5,136,163		
(b) Details of shareholders holding more than 5% shares in the company:				
Name of Shareholders	No. of Shares	% of holding as at 31.03.2012	No. of Shares	% of holding as at 31.03.2011
Jindal Equipment Leasing and Consultancy Services Ltd.	311,393	6.06	311,393	6.06
Sun Investment Ltd.	504,738	9.83	504,738	9.83
Vrindavan Services Pvt. Ltd.	268,565	5.23	268,565	5.23
Hexa Securities and Finance Co. Ltd.	267,723	5.21	267,723	5.21
Groovy Trading Pvt. Ltd.	488,611	9.51	-	-
Ricky Ishwardas Kirplani	405,511	7.90	406,175	7.91
Keshwani Haresh	304,830	5.93	300,358	5.85
Total	2,551,371	49.67	2,058,952	40.09
(c) Terms/Rights attached to Equity Shares				
The Company has only one class of equity shares having a par value of ₹ 10/- per equity share. Each equity shareholder is entitled to one vote per share.				

NOTE - "2"

2. RESERVES AND SURPLUS

a) Securities Premium Reserve		
As per Last Account	3,004.20	3,004.20
Closing Balance	3,004.20	3,004.20
b) General Reserve		
As per Last Account	7,693.28	7,693.28
Closing Balance	7,693.28	7,693.28
c) Capital Reserve		
Demerger Account as per scheme of Arrangement and Demerger	17,641.29	17,276.90
Capital Reserve on Consolidation	-	364.39
Closing Balance	17,641.29	17,641.29
d) Statutory Reserve		
As per Last Account	1,324.20	990.72
Add: Transfer from Surplus in Profit and Loss	408.65	333.48
Closing Balance	1,732.85	1,324.20
e) Surplus in Profit and Loss Account		
Balance as per last financial statements	5,485.69	3,197.27
Add: Profit after tax transferred from Statement of profit and Loss	(364.08)	2,621.90
Less: Transfer to Statutory reserve	408.65	333.48
Balance in Profit and Loss Account Carried Forward	4,712.96	5,485.69
Total Reserve and Surplus	34,784.58	35,148.66

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Particulars	(₹ in Lacs)	
	As at 31st March, 2012	As at 31st March, 2011
NON CURRENT LIABILITIES		
NOTE - "3"		
LONG-TERM BORROWINGS		
a) Secured Long term borrowings		
Working Capital Revolving Facility From Shareholders	-	2,120.40
b) Unsecured Long term borrowings		
Working Capital Revolving Facility From Shareholders	2,429.93	-
From Others	86.27	67.10
Total Long Term Borrowings	2,516.20	2,187.50

NOTE - "4"

LONG-TERM PROVISIONS		
Provision for Gratuity	3.92	2.82
Provision for Leave Encashment	1.48	1.18
Total Long Term Provisions	5.40	4.00

CURRENT LIABILITIES

NOTE - "5"		
TRADE PAYABLES		
Trade Payables	742.57	652.38
Total Trade Payables	742.57	652.38

NOTE - "6"

OTHER CURRENT LIABILITIES		
a) Interest Accrued and due	1.09	1.09
b) Other Payables		
Statutory Dues	28.65	33.59
Dues to Employees	2.73	2.33
Other outstanding liabilities	180.78	148.90
Total Other Current Liabilities	213.25	185.91

NOTE - "7"

SHORT TERM PROVISIONS		
Other Provisions		
Provision for Leave Encashment	0.49	0.25
Provision for Standard Loans (Refer Note No. 8)	34.18	-
Others	2.62	2.29
Total Short Term Provisions	37.29	2.54

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE - "8"

FIXED ASSETS

(₹ in Lacs)

DESCRIPTION	Gross Block			Total as on 31.03.12	Depreciation			Net Block		
	Cost as on 01.04.11	Additions during the year	Sales/Trfd. during the year		up to 31.03.11	During the year	Written Back	Total as on 31.03.12	As on 31.03.12	As on 31.03.11
Furniture & Fixture	1.14	-	-	1.14	0.50	0.07	-	0.57	0.57	0.63
Other Assets	0.41	-	-	0.41	0.14	0.02	-	0.16	0.25	0.28
Total	1.55	-	-	1.55	0.64	0.09	-	0.73	0.82	0.91
Previous Year	1.55	-	-	1.55	0.55	0.09	-	0.64	0.91	-

(₹ in Lacs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
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NOTE - "9"

NON-CURRENT INVESTMENTS

Non trade Investments

In Associates

Cost of Investment (Fully Paid Up)	2,086.90	2,086.90
[Net of ₹ Nil (Previous Year ₹ Nil) of Capital Reserve arising on Consolidation]		
Add: Share of Post Acquisition Profit	(163.38)	(116.38)
	1,923.52	1,970.52

Others

Quoted Shares (Fully Paid Up)	11,552.62	11,571.76
(Net of Provision ₹ 13.23 Lacs) (Previous Year ₹ 13.23 Lacs)		
Unquoted Shares (Fully Paid Up)	8,187.77	8,168.63
(Net of Provision 46.26 Lacs) (Previous Year ₹ 46.26 Lacs)		
	19,740.39	19,740.39
Total Non Current Investments	21,663.91	21,710.91
Market Value of Quoted Investment	133,972.86	197,156.42

Note:

- 68,48,637 (Previous Year 5,42,594) Equity Shares of JSW Steel Limited have been pledged with a Financial Institution, for financial assistance taken by other body corporate.

NOTE - "10"

DEFERRED TAX ASSET (NET)

A) Deferred Tax Liability

Difference between book and tax depreciation	0.10	0.11
Total Deferred Tax Liability-A	0.10	0.11

B) Deferred Tax Assets

1 Disallowance under Income Tax Act, 1961	1.91	1.25
2 Provision for doubtful debts and advances	172.22	172.35
3 Provision for standard assets	10.46	-
Total Deferred Tax Assets-B	184.59	173.60

DEFERRED TAX ASSET (NET) (B-A)	184.49	173.49
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CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Particulars	(₹ in Lacs)	
	As at 31st March, 2012	As at 31st March, 2011
CURRENT ASSETS		
NOTE - "11"		
INVENTORIES		
(As taken, valued and certified by management)		
(At Lower of Cost and net realisable value unless otherwise stated)		
Stock In Trade- Shares/Debentures (At Cost)	727.21	727.21
Total Inventories	727.21	727.21
NOTE - "12"		
TRADE RECEIVABLES		
Unsecured		
Exceeding Six Months		
Considered Good	186.65	162.87
Others		
Considered Good	190.56	54.60
Total Trade Receivables	377.21	217.47
NOTE - "13"		
CASH AND CASH EQUIVALENTS		
Balances with banks		
- In current accounts	10.99	34.82
Cash-on-hand	3.51	2.21
Fixed Deposits (Maturing within three months)	432.41	-
Total Cash and Bank Balances	446.91	37.03
NOTE - "14"		
SHORT TERM LOANS AND ADVANCES		
a) Loans to Body Corporates		
- Unsecured, considered good	15,662.40	14,431.46
- Considered Doubtful	1,149.28	748.78
Less: Provision for Doubtful Debts/ Non-performing Assets	(1,149.28)	(748.78)
	15,662.40	14,431.46
b) Other Loans and Advances		
Loan to Employees	0.38	0.58
MAT Credit Entitlement	26.95	12.75
Prepaid Taxes (Net of Provisions)	240.93	258.07
	268.26	271.40
Total Short Term Loans and Advances (a+b)	15,930.66	14,702.86
NOTE - "15"		
OTHER CURRENT ASSETS		
Interest accrued but not due	0.03	-
Dividend Receivable	541.02	-
Total Other Current Assets	541.05	-

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Particulars	(₹ in Lacs)	
	For the Year Ended 31st March, 2012	For the Year Ended 31st March, 2011
NOTE - "16"		
REVENUE FROM OPERATIONS		
a) Interest Income	1,185.11	853.54
b) Dividend Income on Long Term Investments	1,619.66	1,508.84
c) Dividend Income on Current Investments	79.18	68.26
d) Income from Consultancy	400.00	675.00
e) Net Gain/ (loss) on Sale of Mutual Funds	6.29	-
Total Revenue from operations	3,290.24	3,105.64

NOTE - "17"		
OTHER INCOME		
a) Miscellaneous Receipt	0.16	7.67
b) Provision for Doubtful Debts Written Back	-	5.61
Total Other Income	0.16	13.28
Total Revenue	3,290.40	3,118.92

NOTE - "18"		
CHANGE IN INVENTORIES OF STOCK IN TRADE		
Opening Stock		
In Equity Shares	727.21	660.02
	727.21	660.02
Closing Stock		
In Equity Shares	727.21	727.21
	727.21	727.21
NET (INCREASE)/DECREASE IN STOCK	-	(67.19)
Total (Increase)/Decrease in Stock	-	(67.19)

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Particulars	(₹ in Lacs)	
	For the Year Ended 31st March, 2012	For the Year Ended 31st March, 2011
NOTE - "19"		
EMPLOYEE BENEFIT EXPENSES		
Salary and wages	28.94	23.45
contribution to provident and other fund	0.68	0.55
Total Employee Benefit Expenses	29.62	24.00
NOTE - "20"		
OTHER EXPENSES		
Administrative, Selling and Other Expenses		
Rent	0.94	0.92
Rates and Taxes	3.59	5.19
Legal and professional	24.19	13.84
Auditors' Remuneration	6.26	6.01
Postage and Telegrams	2.20	2.27
Printing and Stationery	2.65	2.33
Advertisement	1.30	1.37
Director Meeting Fees	1.02	1.12
Interest on Loan	0.51	0.14
Provision for Standard Assets	34.18	-
Provision for Doubtful Loans	400.49	-
Bank Charges	0.06	0.83
Donation	1.00	1.00
Other Expenses	0.79	1.97
Total Other Expenses	479.18	36.99

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE NO. - '21'

Notes to Consolidated Financial Statements of the Company and its Subsidiaries for the year ended 31st March, 2012.

NOTES ON ACCOUNTS

1. BASIS OF PREPARATION

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

Name of the Company	Country of Incorporation	% Shareholding/ voting power	
		Current Year	Previous Year
SUBSIDIARIES			
Jindal Steels & Alloys Ltd. (JSAL)	India	100%	100%
Jindal Holding Ltd. (JHL)	India	86.95%	86.95%
Massillon Stainless Inc. (MSI) – through JSML	USA	45.63%/61% *	45.63%/61%*
Jindal Stainless (Mauritius) Ltd. (JSML) #	Mauritius	100%	100%
* Represent voting power			
# unaudited financial statements have been considered for purpose of consolidation			
ASSOCIATES :			
Brahmaputra Capital & Financial Services Ltd.	India	49 %	49 %

- b) The Consolidated Financial Statements are prepared according to uniform accounting policies in accordance with the generally accepted accounting principles. The effects of inter group company transaction and resulting unrealised profits are eliminated in consolidation.
- c) The difference between the costs to the company of its investment in the subsidiary companies over the company's portion of equity of the subsidiary companies is recognized in the financial statement as goodwill or capital reserve as the case may be.
- d) (i) Minority interests in net results of consolidated subsidiaries for the year is identified and adjusted against the results of the group in order to arrive at the net results attributable to shareholders of the company.
- (ii) Minority interests' share of net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separate from liabilities and the equity of the company's shareholders. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of actual obligation of the minority the same is accounted for by the holding company.
- e) The Financial Statements of the subsidiaries, associates used in the consolidation are drawn up to the same reporting date as that of the company i. e. 31st March, 2012.
- f) Foreign Subsidiaries Conversion – Revenue items have been consolidated at the average rate prevailing during the year and items of the assets and liabilities, both monetary and non-monetary, have been translated at the exchange rates prevailing at the end of the year. Resulting Exchange Gain/ (Loss) are recognized in the Statement of profit and loss account.

2. Contingent Liabilities not provided for in respect of :

	(₹ in Lacs) Current Year	(₹ in Lacs) Previous Year
a) Disputed Income Liabilities (against which company has preferred appeals)	1432.81	1290.52
b) Liability towards Corporate Guarantee given to Bank against credit Facilities availed by other body corporate.	—	2612.86

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

4. Based on the information received from supplier regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the required disclosure is given below* :

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Sr. No.	Particulars	2011-12	2010-11
1	Principal amount due outstanding	-	-
2	Interest due on (1) above and unpaid	-	-
3	Interest Paid to Suppliers	-	-
4	Payment made to the supplier beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest Accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

5. Loans to Body corporate ₹ 15662.40 lacs (including ₹ 14431.46 lacs of subsidiary companies) are repayable on demand. Aforesaid loans include ₹ 9484.20 lacs to companies which are having accumulated losses. The management is confident of recovering the same as and when recalled and hence amount outstanding have been considered good and recoverable
6. In JSML under applicable laws, the Company is liable to income tax on chargeable income in Mauritius at a rate of 15% and with a deemed foreign tax credit equivalent to the higher of actual foreign tax suffered or 80 % of the Mauritius Tax payable on foreign source income such that the effective rate of tax to 3%.
7. In opinion of the board, Value of all Assets other than Fixed Assets and Non-Current Investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

14. Segment Reporting :

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

B) Secondary segments (Geographical Segments)

Particulars	(₹ in Lacs)		
	Domestic	Overseas	Total
Revenue			
1 Operational Income	3,290.24	-	3,290.24
	3,105.64	-	3,105.64
Other Income	0.16	-	0.16
	13.28	-	13.28
Total Revenue	3,290.40	-	3,290.40
	3,118.92	-	3,118.92
2 Segment Assets	39,229.02	190.86	39,419.88
	36,974.24	165.78	37,140.02
3 Segment Liabilities	91.47	3,423.24	3,514.71
	52.49	2,979.84	3,032.33
4 Cost incurred to acquire Segment Assets during the year	-	-	-
	-	-	-

8. Provision for standard assets is made at 0.25% of the outstanding standard assets as at 31st March, 2012 in terms of Notification No. DNBS.222/CGM (US)-2011 dated 17-01-2011 issued by Reserve Bank of India.
9. In JHL, although the fair value of certain unquoted investments (amount not ascertained) is lower than the cost, considering the strategic and long term nature of the investments, future prospects and asset base of the investee company, such decline, in the opinion of the management, has been considered to be of temporary nature and hence no provision for the same is considered necessary.
10. (a) In JSAL, Certain balances of the Sundry Debtors, Sundry Creditors and Advances are subject to confirmation/reconciliation, if any. The management does not expect any material difference affecting the financial statement on such reconciliation/adjustment.
(b) In MSI, balances of Sundry Debtors and Creditors are subject to confirmation. In the absence of the same, effect of the same on Profit & Loss Account could not be determined.
11. Capital reserve on Consolidation represents net of Goodwill of ₹ 20.92 lacs.(Previous Year ₹ 20.92 lacs).
12. In MSI, the Company is not a **Going Concern** as all the Fixed Assets is sold out and the Company will not be able to continue in operation for the foreseeable future. The management has also no intention to run the plant in future.
13. The financial statements for the year ended 31st March, 2012 have been prepared under revised schedule VI. Accordingly the previous year figures have also been reclassified as per revised schedule VI.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Notes :

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

15. Related Parties Transactions

A List of Related Parties & Relationship (As identified by the Management)

a) Key Management Personnels :

- Sh.Mahender Kumar Goel Executive Director (NSIL)
- Sh. M.L. Gupta Managing Director (JHL)
- Sh. Bhartendu Harit Company Secretary (NSIL)

b) Associates :

Brahmputra Capital & Financial Services Limited

c) Enterprise over which management personnel and their relatives exercise significant influence with whom transactions have been taken place during the year.

B) Transactions	CURRENT YEAR				PREVIOUS YEAR				
	Description	Key Management Personnel	Associate	Enterprises controlled by key Management Personnels & their relatives	Total	Key Management Personnel	Associate	Enterprises controlled by key Management Personnels & their relatives	Total
(₹ in Lacs)									
Remuneration									
Sh.Mahender Kumar Goel (NSIL)	14.04			14.04	12.08				12.08
Sh. Bhartendu Harit (NSIL)	11.51			11.51	8.80				8.80
Dividend									
JSW Steel Limited (NSIL)	-	-	557.21	557.21	-	-	432.11	432.11	
JSW Steel Limited (JSAL)	-	-	202.95	202.95	-	-	157.39	157.39	
JSW Steel Limited (JHL)	-	-	377.02	377.02	-	-	242.19	242.19	
Outstanding Balance as on 31.03.2010				-				-	
Equity Investment Outstanding									
Brahmputra Capital & Financial Services Ltd.(NSIL)	-	2,086.90	-	2,086.90	-	2,086.90	-	2,086.90	
JSW Steel Limited (NSIL)	-	-	1,986.90	1,986.90	-	-	1,986.90	1,986.90	
JSW Steel Limited (JHL)	-	-	5,490.29	5,490.29	-	-	5,490.29	5,490.29	
JSW Steel Limited (JSAL)	-	-	2,434.91	2,434.91	-	-	2,434.91	2,434.91	
Investment Pledged									
JSW Steel Limited (NSIL)			1,986.90	1,986.90					
JSW Steel Limited (JHL)			4,953.35	4,953.35			1,168.55	1,168.55	

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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

(₹ in Lacs)

PARTICULARS	Outstanding amount as at the year end		Maximum Amount Outstanding during the year	
	Current Year	Previous Year	Current Year	Previous Year
Loan and advances where there is no repayment schedule				
Nalwa Metal & Alloys Limited *	54.66	54.66 **	54.66	54.66 **
Mansarover Investments Ltd.	3,145.63	2,663.29	3,145.63	2,663.29
Jindal Equip. Leasing & Consultancy Services Ltd.	941.86	871.13	941.86	871.13
Everplus Securities & Finance Ltd.	3,035.74	2,823.26	3,035.74	2,823.26
Renuka Financial Services Limited	2,153.16	2,006.80	2,153.16	2,006.80
Goswamis Credits & Investment Ltd.	759.61	707.93	759.61	707.93
Gagan Trading Co. Ltd.*	7.45	7.45 **	7.45	7.45 **
Jindal Stainless Limited	400.49	400.49	400.49	400.49
JSW Steel Limited.*	516.63	516.63 **	516.63	516.63 **
Lexicon Finance Limited*	170.04	170.04 **	170.04	170.04 **
JSL Lifestyle Limited (Formerly Known As Austenitic Creations Pvt. Ltd.)	1,738.58	1,734.55	1,743.77	1,734.55
Green Delhi BQS Limited	1,797.12	1,686.91	1,797.12	1,686.91
Om Savitri Jindal Charitable Trust	100.00	-	100.00	-
	14,820.97	13,643.15		

* Provision for Non Performing Assets provided for.

** No Interest charged for the current year.

17. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the parent company's financial statements.
18. Earning Per Share (EPS) computed in accordance with Accounting Standard-20 "Earning Per Share".

	2011-12 Current Year (₹ in Lacs)	2010-11 Previous Year (₹ in Lacs)
Basic and Diluted EPS :-		
Before Extraordinary		
Profit/(Loss) after tax attributable to Equity Shareholders	47.18	2,590.43
After Extraordinary		
Profit/(Loss) after tax attributable to Equity Shareholders	(364.08)	2,621.90
No. of Shares issued	5,136,163	5,136,163
Basic & Diluted EPS - Before Extraordinary (in ₹)	0.92	50.44
Basic & Diluted EPS - Before Extraordinary (in ₹)	(7.09)	51.05

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

19. a) Director's Remuneration :-

Paid to Executive Director	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
Salary	13.32	11.45
Provident Fund	0.72	0.63
	14.04	12.08
b) Auditors Remuneration includes the following :		
Audit Fee	3.16	3.18
Tax Audit Fee	0.24	0.24
Certification Work etc.	2.86	2.59
	6.26	6.01

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

22. Note No. 1 to 21 are annexed to and form integral part of the Balance Sheet and Statement of Profit & Loss Account.

Signature to Note No. 1 to 21

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

MAHENDER KUMAR GOEL
Executive Director & C.E.O.

RAJINDER PARKASH
Director

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

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 30th May, 2012

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	2011-12 (₹ in Lacs)	2010-11 (₹ in Lacs)
A) CASH INFLOW/(OUTFLOW) FROM THE OPERATING ACTIVITIES		
Net Profit before Tax	2,370.25	3,125.03
Adjustments for :-		
Depreciation	0.09	0.09
Translation exchange difference (net)	(411.26)	31.47
Provision on Standard Assets	34.19	-
Provision for Non Performing Assets	400.49	-
Dividend Income	(1,698.83)	(1,577.10)
Interest Income	(1,185.11)	(781.04)
Net Gain/(loss) on Sale of Mutual Funds	(6.29)	-
Provision for Doubtful debts/Advances Written Back	- (2,866.72)	(5.61) (2,332.19)
Operating Profit before working capital changes	(496.47)	792.84
Adjustments for :-		
Inventories	-	(67.19)
Sundry Debtors	(159.73)	354.24
Loans & Advances	(1,771.76)	(3,041.20)
Current Liabilities	119.50 (1,811.98)	(52.99) (2,807.14)
CASH GENERATED FROM OPERATION	(2,308.45)	(2,014.31)
Direct Tax Advance/Refund	(500.95)	(456.12)
Net Gain/(loss) on Sale of Mutual Funds	6.29	-
Interest Received	1,185.14	781.04
Dividend Received	1,698.83	1,577.10
NET CASH INFLOW FROM OPERATING ACTIVITIES	80.85	(112.29)
B) CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES		
(Increase)/Decrease in Investments	-	-
NET CASH INFLOW FROM INVESTMENT ACTIVITIES	-	-
C) CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		
Dividend Paid	-	(5.40)
Increase/(Decrease) in Unsecured Long Term Loans	328.70	(13.08) (18.48)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	328.70	(18.48)
NET CHANGES IN CASH AND CASH EQUIVALENT	409.55	(130.78)
Cash and cash equivalent (opening balance)	37.03	167.81
Foreign Exchange Fluctuation on re-instatement of cash and cash equivalent	0.32	-
Cash and cash equivalent (closing balance)	446.90	37.03

NOTE:

1. Cash and Cash Equivalent includes Cash and Bank Balances only.
2. Increase/(Decrease) in unsecured long term loans are shown net of repayments.
3. Previous year's figures have been regrouped wherever necessary

AUDITORS' REPORT

In terms of our report of even date annexed hereto

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

MAHENDER KUMAR GOEL
Executive Director & C.E.O.

RAJINDER PARKASH
Director

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

RAKESH GARG
Director

BHARTENDU HARIT
Company Secretary

Place : Hisar
Date : 30th May, 2012

DETAIL OF SUBSIDIARY COMPANIES

Statement pursuant to general exemption granted under section 212(8) of the Companies Act, 1956 relating to subsidiary companies vide general circular 02/2011 dated Feb. 08, 2011

						₹ in Lacs
Particulars	Jindal Holdings Limited	Jindal Steel & Alloys Limited	Jindal Stainless (Mauritius) Limited	Massillon Stainless Inc.		
1 Capital	1,849.98	702.00	4,938.99		2,165.45	
			USD 10,700,000.00	USD	4,714,000.00	
2 Reserves	6,265.68	7,719.42	(4,972.74)		(9,720.28)	
			USD (10,765,978.00)	USD	(19,482,085.10)	
3 Total Assets	9,745.03	8,422.47	4.21		186.65	
			USD 8,226.00	USD	364,856.61	
4 Total Liabilities	9,745.03	8,422.47	4.21		186.65	
			USD 8,226.00	USD	18,089,000.00	
5 Investments	7,804.42	6,113.91	0.00		364,856.61	
			USD 1.00	USD	-	
6 Turnover/Total Income	466.03	814.71	-		-	
			USD -	USD	-	
7 Profit/(Loss) before Taxation	463.11	410.96	(7.05)		-	
			USD (14,724.00)	USD	-	
8 Provision for Taxation	14.72	201.90	-		-	
			USD -	USD	-	
9 Profit/(Loss) after Taxation	463.10	192.82	(7.05)		-	
			USD (14,724.00)	USD	-	
10 Proposed Dividend	-	-	-		-	
			USD -	USD	-	

NALWA SONS INVESTMENTS LIMITED

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

E-COMMUNICATION REGISTRATION FORM

To,

Abhipra Capital Limited
Unit: Nalwa Sons Investments Ltd.
Ground Floor –Abhipra Complex,
Dilkhush Industrial Area,
A-387, G.T. Karnal Road, Azadpur,
Delhi - 110 033

Green initiative on Corporate Governance

I/we hereby exercise my/our option to receive all communications from the Company such as Notice of General Meeting, Explanatory Statement, Audited Financial Statements, Balance Sheet, Profit & Loss Account, Directors' Report, Auditor's Report etc. in electronic mode pursuant to the "Green Initiative in Corporate Governance" taken by the Ministry of Corporate Affairs vide circular no. 17/2011 dated 21st April, 2011. Please register my e-mail ID as given below, in your records, for sending the communications:

Folio No./ DP ID & Client ID No. :

Name of 1st Registered Holder :

Name of Joint Holder(s), if any :

Registered Address of the Sole/
1st Registered Holder :
.....
.....

No. of Shares held :

E-mail ID (to be registered) :

Date:

Signature:

Notes:

- 1) On registration, all communications will be sent to the e-mail ID registered
- 2) The form is also available on the website of the Company www.nalwasons.com under the section 'Shareholders information'.
- 3) Shareholders are requested to keep the Company's Registrar – Abhipra Capital Limited informed as and when there is any change in the e-mail address.

NALWA SONS INVESTMENTS LIMITED

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

ATTENDANCE SLIP

D.P. Id.*	
-----------	--

Folio No.	
-----------	--

Client Id.*	
-------------	--

I/We hereby record my/our presence at the 41st Annual General Meeting of the Company at N.C. Jindal Public School, Road No.73, West Punjabi Bagh, New Delhi-110026 on Friday, 28th day of September, 2012 at 4.00 p.m.

Name of the member
(in Block Letters)

Signature of the member/ proxy

NOTE:

1. You are requested to sign and hand over this at the entrance.
 2. If you are attending the meeting in person or by proxy, your copy of the balance sheet may please be brought by you/your proxy for reference at the meeting.
- * *Applicable for members holding shares in demat form.*

.....TEAR HERE.....

NALWA SONS INVESTMENTS LIMITED

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

FORM OF PROXY

D.P. Id.*	
-----------	--

Folio No.	
-----------	--

Client Id.*	
-------------	--

I/We of
in the district of.....being a member/ members of the
above named Company hereby appoint
of.....in the district of
..... or failing him of
..... in the district of as my/our proxy to vote
for me/us on my/our behalf at the 41st Annual General Meeting of the Company to be held on Friday, 28th day of September,
2012 at 4.00 p.m. or at any adjournment thereof.

Signed this _____ day of September, 2012.

Affix .15 Ps.
Revenue
Stamp
Signature

NOTE:

1. The form should be signed across the stamp, as per specimen signature registered with the Company.
 2. The proxy must be deposited at the registered office of the Company at 28, Najafgarh Road, Moti Nagar Industrial Area, New Delhi –110 015 not less than 48 hours before the time of holding the meeting.
 3. This form is to be used in favour of/against the resolution. Unless otherwise directed, the proxy will vote as he thinks fit.
 4. A proxy need not be a member.
- * *Applicable for members holding shares in demat form.*

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