

Disclosure Document

Private & Confidential – For Private Circulation only

Dated:

This is a disclosure document prepared in conformity with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008



JINDAL SAW LIMITED

The Company was incorporated on October 31, 1984 under the Companies Act, 1956 and received its certificate of commencement of business on November 28, 1984 from the Registrar of Companies Delhi & Haryana. In the year 1997 company shifted its registered office from NCT of Delhi to the State of Uttar Pradesh.

The Company changed its name from SAW Pipes Limited to Jindal Saw Limited with effect from January 11, 2005.

Registered Office: A1, UPSIDC Industrial Area, Nandgaon Road, Kosi Kalan District Mathura, 281403 (U.P.) Tel: +91 (5662)-232001-3 Fax: +91(5662)-232577

Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110066 **Tel:** +91 (11)26188345, 26188360 **Fax:** +91 (11)26170691 **Website:** www.jindalsaw.com

Contact person and compliance officer: Mr. Sunil Jain; **Email:** Sunil.Jain@jindalsaw.com

PRIVATE PLACEMENT OF SECURED, NON-CONVERTIBLE, REDEEMABLE DEBENTURES ISSUED BY JINDAL SAW LIMITED (THE “COMPANY”) OF FACE VALUE RS. 10,00,000 EACH AGGREGATING RS. 100 CRORES

GENERAL RISKS

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. For taking an investment decision, the investors must rely on their own examination of the Company and this Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this document.

CREDIT RATING

“CARE AA-” by Credit Analysis and Research Limited (pronounced as “Double A minus”) for Rs. 100 crores, with respect to timely payment of interest and principal on the instrument. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to suspension, revision or withdrawal at any time by the assigned rating agency. The rating agency has a right to revise, suspend or withdraw the rating at any time on the basis of factors such as new information or unavailability of information or other circumstances which the Credit Rating Agency believes may have an impact on its rating. For further details including in respect of the rationale for the credit rating, please refer to section titled “Credit Rating & Rationale Thereof” mentioned elsewhere in this Disclosure Document.

LISTING

The Debentures are proposed to be listed on the wholesale debt market segment of the National Stock Exchange of India Limited (“NSE” or the “Stock Exchange”). The NSE has given its ‘in-principle’ approval to list the Debentures

ISSUE PROGRAMME

ISSUE OPENING DATE

[7th September, 2012]

ISSUE CLOSING DATE

[7th September, 2012]

The Company reserves the right to close this Issue earlier from the aforesaid date or change the Issue time-table including the Date of Allotment (as defined hereinafter) at its sole discretion, without giving any reasons or prior notice. This Issue will be open for subscription at the commencement of banking hours and close at the close of banking hours.

This Issue shall be subject to the terms and conditions of this Disclosure Document filed with the Stock Exchange and other documents in relation to this Issue.

Note: This Disclosure Document is strictly for a private placement and is only an information brochure intended for private use. Nothing in this Offer Document shall constitute and/or deem to constitute an offer or an invitation to an offer to the Indian public or any section thereof to subscribe for or otherwise acquire the Debentures in general. This Offer Document should not be construed to be a prospectus or a statement in lieu of prospectus under the Companies Act. This Disclosure Document and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly and specifically through a communication by the Company and only such recipients are eligible to apply for the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. Further, since the Issue is being made on a private placement basis, the provisions of Section 60 of the Companies Act shall not be applicable and accordingly, a copy of this Offer Document has not been filed with the RoC or the SEBI. Therefore, as per the applicable provisions of law, copy of this Offer Document has not been filed or submitted to the SEBI for its review and/or approval.

TEAM FOR THIS ISSUE

SOLE ARRANGER DEBENTURES AGGREGATING RS. 100 CRORES



EXPERIENCE OUR EXPERTISE

Yes Bank Ltd.,
Nehru Center, 9th Floor,
Discovery of India, Dr. A.B.
Road, Worli, Mumbai –
400018

RATING AGENCY

Credit Analysis and Research Limited
3rd Floor B-47 Inner Circle (Near Plaza
Cinema) Connaught Place New Delhi-110001
Email: ajay.dhaka@careratings.com Website:
www.careratings.com
Contact Persons: Ms. Swati Agrawal,
Mr. Ajay Dhaka
Tel: +91 11 23318701/23716199
Fax: +91 11 45333238
Email: Swati.agrawal@carerating.com

TRUSTEES

Axis Trustees Services Limited
AXIS Bank Ltd.,
Central Office, 2nd Floor,
Bombay Dyeing Mill Compound,
Pandurang Budhkar Marg,
Worli, Mumbai - 400 025
Tel: +91 22 2425 5226(D)
Fax: +91 22
Email: neelesh.baheti@axistrustee.com
Website: www.axisbank.com
Contact Person.: Mr. Neelesh Baheti

Registrar to Issue

RCMC Share Registry (P) Ltd.
B-106, Sector-2,
Noida (U.P.)
Ph. # 0120-4015880
Fax # 0120-4015839

Collecting Banker
YES Bank Ltd.

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DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Disclosure Document.

General terms

Term	Description
“Jindal Saw Ltd. or Jindal Saw” or the “Company” or the “Issuer”	Jindal Saw Limited a public limited company incorporated under the Companies Act, 1956 and having its registered office at A1, UPSIDC Industrial Area, Nandgaon Road, Kosi Kalan District Mathura, 281403 (U.P.) .
“we”, “us”, “our”	Unless the context otherwise requires, the Company, its Subsidiaries, and joint ventures.

Company related terms

Term	Description
Articles of Association	The articles of association of the Company.
Auditors	M/s N. C. Aggarwal & Co. Chartered Accountants, the statutory auditors of the Company
Board of Directors/Board	The board of directors of the Company or a duly constituted committee thereof.
Director(s)	Director(s) on the Board, as appointed from time to time.
Promoter(s)	Mr P. R. Jindal, the Jindal Family, and persons or entities controlled by them (directly or indirectly), and who are the Promoters of the Issuer (as defined in Regulation 2(h) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011).
Registered Office	The registered office of the Company, presently located at A1, UPSIDC Industrial Area, Nandgaon Road, Kosi Kalan District Mathura, 281403 (U.P.)
Direct Subsidiaries	The direct subsidiaries of the Company, being Jindal ITF Ltd., IUP Jindal Metals and Alloys Ltd., Jindal Fittings Ltd. Ralael Holdings Ltd., Greenray Holdings Ltd., S.V. Trading Ltd, Jindal Saw Holdings FZE Quality Iron And Steel Ltd.
Indirect Subsidiaries	Jindal Saw USA LLC, Jindal Intelicom Ltd., JITF Water Infrastructure Ltd., JITF Urban Infrastructure Ltd., JITF Shipyards Ltd., Jindal Rail Infrastructure Ltd., JITF Waterways Ltd., JITF Infra-logistics Ltd., JITF ESIPL CETP (Sitarganj) Ltd. Timarpur- Okhla Waste Management Company Pvt. Ltd., Jindal Saw Middle East FZC, Jindal Saw Gulf LLC, JITF Water Infra (Naya Raipur) Limited, JITF Urban Infrastructure Services Limited; Jindal Saw Italia SRL Intellicom Insurance Advisors Ltd, Derwent Sand SARL, JITF Coal Logistics Ltd.,JITF Shipping and Logistics Singapore PTE Ltd, Jindal ITF Kobelco Eco Ltd,JITF Manilla Water Development Co Ltd, Jindal Global Water Holding Ltd, JITF Water Infra (Rajkot) Ltd, JITF Urban Waste Management(Ferojpur) Ltd, JITF Urban Waste Management(Jallandher) Ltd, JITF Urban Waste Management(Bhatinda) Ltd,
Joint Venture	Jindal Sigma Ltd

Issue related term

Term	Description
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
Application Form	The form in which an investor can apply for subscription to the Debentures.
Beneficial Owner(s)	Holder(s) of the Debentures in dematerialized form as defined under Section 2 of the Depositories Act.
Business Day	All days except Saturday, Sunday on which the Registered Office is open for business in Mumbai.
Coupon Payment Date	Date of payment of interest on the Debentures.
Credit Rating Agency	Credit Analysis and Research Limited.
Date of Allotment	The date on which Allotment for this Issue, is made.
Debentureholder(s)	The investors who are Allotted Debentures.
Deemed Date of Allotment	
Trustees	Trustee for the Debentureholders, in this case being Axis Trustees Services Limited.
Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, as amended
Depository(ies)	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL and CDSL
ECS	Electronic Clearing Service.
FII	Foreign Institutional Investor (as defined under the Securities and Exchange Board of

Term	Description
	India (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI.
Issue	Issue by way of private placement of the Debentures by the Issuer.
ISIN	International Securities Identification Number.
Sole Arranger	In this case being YES Bank Ltd.
Maturity Date	The date on which repayment of principal amount in respect of the Debentures shall be made.
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. as amended.
NEFT	National Electronic Funds Transfer.
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the FEMA Regulations.
Overseas Corporate Body/OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under FEMA Regulations. OCBs are not permitted to invest in this Issue.
Pay-in Date	Unless the context otherwise requires, the date on which the Debentureholders shall make payment, either in whole or in part, as may be applicable, for subscription to the Debentures.
Record Date	The date prior to the Maturity Date on which the determination of the persons entitled to receive interest in respect of the Debentures (i.e., persons whose names are registered in the Register of Debentureholders or Depositories record) shall be made.
Registered Debentureholder	The Debentureholder whose name appears in the Register of Debentureholders or in the beneficial ownership record furnished by Depositories for this purpose.
Register of Debentureholders	The register maintained by the Company containing the name of Debentureholders entitled to receive interest in respect of the Debentures on the Record Date, which shall be maintained at the Registered Office.
Registrar/Registrar to the Issue	Registrar to the Issue, in this case being RCMC Share Registry (P) Ltd.
RTGS	Real Time Gross Settlement.
Disclosure Document	This disclosure document dated in relation to this Issue.
Working Days	All days except Saturday, Sunday on which scheduled commercial Banks are open for business in Mumbai.

Conventional and General Terms, Abbreviations and References to Other Business Entities

Abbreviation	Full form
BSE	Bombay Stock Exchange Limited.
CARE	Credit Analysis and Research Limited.
CDSL	Central Depository Services (India) Limited.
IPO	Initial public offering.
Companies Act	The Companies Act, 1956 as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant/DP	A depository participant as defined under the Depositories Act.
Equity Shares	Equity shares of the Company of face value of Rs. 2/- each.
FEMA	Foreign Exchange Management Act, 1999.
FEMA Regulations	Rules and Regulations issued by the RBI under the FEMA.
Fiscal	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
GoI	Government of India
HNI	High networth individual.
HUF	Hindu Undivided Family.
ISIN	International Securities Identification Number.
IT Act	The Income Tax Act, 1961, as amended from time to time.
JSL	Jindal Saw Ltd
LOA ISIN	Letter of Allotment ISIN.
NCR	National Capital Region of Delhi.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
p.a.	per annum.
PAN	Permanent Account Number.
PAC	Persons acting in concert.
PSC	Production Sharing Contract.
RBI	The Reserve Bank of India.

Abbreviation	Full form
RoC	The Registrar of Companies
Rs.	Rupees.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time.

DISCLAIMER

General Disclaimer

This Disclosure Document is neither a prospectus nor a statement in lieu of prospectus and is prepared in accordance with SEBI Regulations. This Disclosure Document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by the Company. The document is for the exclusive use of the investors to whom it is delivered and it should not be circulated or distributed to third party (ies). The Company certifies that the disclosures made in this document are generally adequate and are in conformity with the SEBI Regulations. This requirement is to facilitate investors to take an informed decision for making investment in this Issue.

This Issue is being made strictly on a private placement basis and is not intended to be circulated to more than 49 persons. Nothing in this Disclosure Document shall constitute and/or deem to constitute an offer or an invitation to an offer to the Indian public or any section thereof to subscribe for or otherwise acquire the Debentures. This Disclosure Document should not be construed to be a prospectus or a statement in lieu of prospectus under the Companies Act.

This Disclosure Document and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly and specifically through a communication by the Company and only such recipients are eligible to apply for the Debentures. Furthermore, NRIs, OCBs, FIIs and other persons resident outside India are not eligible to apply for or hold the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

This Disclosure Document has been prepared in conformity with the SEBI Regulations. Therefore, as per the applicable provisions, a copy of this Disclosure Document has not been filed or submitted to the SEBI for its review and/or approval. Further, since this Issue is being made on a private placement basis, the provisions of Section 60 of the Companies Act shall not be applicable and accordingly, a copy of this Disclosure Document has not been filed with the RoC or the SEBI.

Disclaimer of SEBI

This Disclosure Document has not been filed with SEBI and has not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Disclosure Document. It is to be distinctly understood that this Disclosure Document should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the Object for which this Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this Disclosure Document. This Issue being made on private placement basis, filing of this Disclosure Document is not required with SEBI. However, SEBI reserves the right to take up at any point of time, with the Company, any irregularities or lapses in this Disclosure Document.

DISCLAIMER OF THE SOLE ARRANGER

The role of the Sole Arranger in the assignment is confined to marketing and placement of the bonds on the basis of this Disclosure Document as prepared by the Issuer. The Sole Arranger have neither scrutinized/ vetted nor have they done any due-diligence for verification of the contents of this Disclosure Document. The Sole Arranger shall use this document for the purpose of soliciting subscription from qualified institutional investors in the bonds to be issued by the Issuer on a private placement basis. It is to be distinctly understood that the aforesaid use of this document by the Sole Arranger should not in any way be deemed or construed that the document has been prepared, cleared, approved or vetted by the Sole Arranger; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor do they

take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Bank. The Sole Arranger or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this document.

Disclaimer of the Company

The Company certifies that the disclosures made in this Disclosure Document are generally adequate and in conformity with the SEBI Regulations. Further, the Company accepts no responsibility for statements made otherwise than in this Disclosure Document or any other material issued by or at the instance of the Company and anyone placing reliance on any source of information other than this Disclosure Document would be doing so at his own risk.

Disclaimer in respect of Jurisdiction

This Issue is made in India to investors as specified under clause “Who Can Apply” of this Disclosure Document, who shall be specifically approached by the Company. This Disclosure Document does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts of New Delhi. This Issue is made in India to persons resident in India. This Disclosure Document does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

Disclaimer of the Stock Exchange

As required, a copy of this Disclosure Document has been submitted to the NSE for hosting the same on its website. It is to be distinctly understood that such submission of this Disclosure Document with NSE or hosting the same on its website should not in any way be deemed or construed that this Disclosure Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Disclosure Document; nor does it warrant that this Debentures will be listed or continue to be listed on NSE; nor does it take responsibility for the financial or other soundness of the Company, its Promoters, its management or any scheme or project of the Company. Every person who desires to apply for or otherwise acquire any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Cautionary Note

This Disclosure Document is not intended to provide the sole basis of any credit decision or other evaluation and should not be considered as a recommendation that any recipients of this Disclosure Document should invest in the Debentures. Each potential investor should make its own independent assessment of the investment merit of the Debentures and the Company. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor’s particular circumstance. This Disclosure Document is made available to potential investors on the strict understanding that it is confidential. Recipients shall not be entitled to use any of the information otherwise than for the purpose of deciding whether or not to invest in the Debentures.

No person including any employee of the Company has been authorized to give any information or to make any representation not contained in this Disclosure Document. Any information or representation not contained herein must not be relied upon as having being authorized by or on behalf of the Company. Neither the delivery of this Disclosure Document at any time nor any statement made in connection with this Issue shall under the circumstances imply that any information/ representation contained herein is correct at any time subsequent to the date of this Disclosure Document.

The distribution of this Disclosure Document or the Application Forms and the offer, sale, pledge or disposal of the Debentures may be restricted by law in certain jurisdictions. This Disclosure Document does not constitute an offer to sell or an invitation to subscribe to the Debentures in any jurisdiction to any person to whom it is unlawful to make such offer or invitation in such jurisdiction. Persons into whose possession this Disclosure

Document comes are required by the Company to inform themselves about and observe any such restrictions. The sale or transfer of these Debentures outside India may require regulatory approvals in India, including without limitation, the approval of the RBI.

GENERAL INFORMATION

Registered Office

Jindal Saw Limited
A-1, UPSIDC Indl. Area,
Nandgaon Road, Kosi Kalan,
Distt. Mathura (U.P.) – 281 403
Tel. # 05662-232001-3
Fax # 05662-232577

Registration number:

20-23979

Corporate Office:

Jindal Centre,
12, Bhikaiji Cama Place,
New Delhi – 110066
Tel: +91 (11)26188345, 26188360
Fax: +91 (11)26170691

Address of the Registrar of Companies

The Registrar of Companies
U.P. & Uttrakhand,
10/499 B, Allenganj, Khalasi Line,
Kanpur – 208 001
Tel. # 0512-352304
Fax # 0512-291769

Board of Directors

Name and Designation	Address
Smt. Savitri Devi Jindal - Chairperson Promoter – Non Executive	Jindal House Delhi Road, Hisar – 125 005
Sh. P. R. Jindal - Vice Chairman Promoter – Non Executive	6, Prithvi Raj Road New Delhi - 110 011
Ms. Sminu Jindal- Managing Director Promoter – Executive	6, Prithvi Raj Road New Delhi - 110 011
Sh. Indresh Batra- Managing Director Promoter – Executive	A-5, Anand Niketan , New Delhi – 110021
Sh Ravinder Nath Leekha Director Independent- Non Executive	D-1/101, Plot No. 4, Sector-11, Gold Craft Society, Dwarka, New Delhi – 110075
Sh. Devi Dayal- Director I.A.S. (RETD.) Independent- Non Executive	B-192 A, Sector – 44, Noida (U.P.)
Dr. S. K. Gupta- Director Independent- Non Executive	6 th Floor , East Wing , Raheja Towers M. G. Road OAD, Bangalore – 560 001
Sh. Kuldip Bhargava- Director Independent- Non Executive	Anand Bhawan, Hisar – 125 001 (Haryana)
Dr. Raj Kamal Agarwal- Director Independent- Non Executive	181, Roylton Tower (Inside Princeton Estate) DLF Phase-V, Sector-53, Gurgaon – 122 009
Sh. H. S. Chaudhary- Whole Time Director- Executive	A-1, UPSIDC INDL. Area , Nandgaon Road, Kosi Kalan,

	Distt. Mathura (U.P.) – 281 403
Shri Girish Sharma- Director, IRS(RETD.) Independent- Non Executive	A-1, Tower-1, New Moti Bagh, New Delhi – 110 023

Company Secretary and Compliance Officer

Mr. Sunil Jain
Company Secretary
Flat No. 551
Pocket-GH-13,
Paschim Vihar,
New Delhi – 110 087

Tel. # 011- 41462220
Email : sunil.jain@jindalsaw.com

Investors can contact the Compliance Officer in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of Debentures, interest on application money etc in the respective beneficiary account or refund orders, etc.

HISTORY, CAPITAL STRUCTURE AND CERTAIN CORPORATE MATTERS

Summary- Jindal Saw Limited

Jindal Saw Limited a part of the O.P. Jindal Group is a well established market leader in providing total pipe solutions to the industry. After starting the operations in 1984, it now enjoys market leadership in the manufacturing and coating of SAW pipes to the energy transportation sector in India and abroad. It has since diversified into other specialized pipes to cover the entire range of pipe products.

Today, Jindal Saw is one of India's leading companies in the pipe sector manufacturing a wide range of pipes and tubes of different grades and dimensions for various applications in a range of industries, including to the energy and petrochemicals industry, oil and gas transportation, oil refineries, mechanical, structural, automobile and general engineering, urban and cross-country water transportation, sanitation and sewage transportation. The Company's product portfolio includes LSAW and HSAW pipes, hot milled and cold milled carbon steel, alloy steel and stainless steel seamless tubes and pipes and DI pipes of various grades and dimensions. It also produces connector casings and induction bends used in drilling and pipeline connections. In addition, the Company provides various kinds of external and internal anti-corrosion coatings and concrete weight coatings for pipes and tubes. The Company has an innovative and process driven business environment with the quality commitments in place.

With almost two million MTPA name plate capacities for all the products, the state-of-the-art manufacturing facilities of the Company are located at four places in India, Kosi Kalan in UP, Mundra in Gujarat, Nasik in Maharashtra and Bellary in Karnataka.

The Company has executed mine lease agreement with the Government of Rajasthan primarily for conversion of low grade Iron ore to 65% FE content Iron ore. The mine lease agreement is for a period of 30 years. The mines are in district Bhilwara in Rajasthan. Part of the production of 65% FE grade concentrate shall be consumed for in-house production of Ductile Iron Pipes and balance shall be consumed in production of pellets.

The Company, through its 100% subsidiary Jindal ITF Limited has ventured into businesses like water and waste water management, urban waste management, coastal and inland water transport, and rail wagon manufacturing. Of these businesses, water/waste water management and costal/inland water transport have started generating revenue. These businesses being in infrastructure segment, has huge long term potential considering the expected growth of Indian economy.

Jindal Saw has also formed a joint venture names IUP Jindal Metals & Alloys Ltd., with IUP, the specialty grade divisions of Arcelor Group. Arcelor Group is the largest steel manufacturer in Europe and second largest globally to produce specialty grade and alloy grade thin flat stainless steel products. Jindal Saw holds majority equity in the JV company.

Jindal Saw through its UAE subsidiary is setting up a Ductile Iron (DI) Pipe manufacturing facility in Abu Dhabi, UAE. This ductile iron pipe facility is designed to manufacture 300,000 MTPA ductile iron pipes. The plant shall be capable to produce pipes from DN 250 to 2200 MM. This plant is being set up at a cost outlay of app. USD 60 million which is expected to commence operations in FY 12-13.

Management Profile and background of Management and Board of Directors The Board of Directors of Name of Director	
Ms. Savitri Devi Jindal	Chairperson
Mr. Prithvi Raj Jindal	Vice Chairman
Mr. Indresh Batra	Managing Director
Ms. Sminu Jindal	Managing Director
Mr. Devi Dayal	Director
Dr. S K Gupta	Director
Mr. Kuldip Bhargava	Director
Dr. Raj Kamal Agarwal	Director
Mr. H. S. Chaudhary	Whole-Time Director
Mr. Ravinder Nath Leekha	Director
Mr. Girish Sharma	Director

A brief write-up on the directors and key management personnel of the company is as follows: Name of Director		
Ms. Savitri Devi Jindal	Chairperson	SMT. SAVITRI JINDAL is wife of Late Shri O.P. Jindal, who was a great visionary, renowned industrialist and Jindal Group patriarch. She is a member of Haryana Legislative Assembly since 2005 and she was re-elected as member of Haryana Legislative Assembly in 2010. As a member of Legislature, she is making strenuous efforts to enhance the Government Intervention and put the administrative machinery to the best use in eradication of poverty, illiteracy, social evils and improving the governance in the County. She is involved in multiple social welfare activities benefiting the disadvantaged sections of the society.
Mr. Prithvi Raj Jindal	Vice Chairman	Mr. Prithviraj Jindal (Mr. P R Jindal) is the eldest son of Mr. O P Jindal. He holds a Bachelors degree in Arts and has more than 40 years experience in the Steel Industry. He has pioneered the production of SAW Pipes in India. He was associated in the setting up of Saw Pipes Limited, (now known as Jindal Saw Ltd.) in 1984 with its first state-of-the-art plant in Kosi Kalan in UP.
Mr. Indresh Batra	Managing Director	Mr Indresh Batra is the Company's Managing Director. Mr. Batra has a versatile work experience and has insisently worked towards making Company's US operations profitable. An Economics graduate from Delhi University, Mr. Batra also has a postgraduate degree in

		Management and AMP from Harvard Business School. He is spearheading the various initiatives ITF Limited under Jindal.
Ms. Sminu Jindal	Managing Director	Ms. Sminu Jindal, daughter of Mr. P.R. Jindal, is the Company's Managing Director. Ms Jindal holds a postgraduate degree in business administration with specialisation in finance, from the Fore School of Management, New Delhi and an undergraduate degree in Commerce from the Shri Ram College of Commerce, University of Delhi. Ms. Jindal joined the Company in 1992. She has been featured as a corporate leader in Business Today's ranking of India's top 50 business families.
Mr. Devi Dayal	Independent Non-Executive Director	Mr. Devi Dayal holds a masters degree in philosophy and a bachelor's degree in law from the Allahabad University. Prior to joining the Company, Mr. Dayal served in the Indian Administrative Service for a period of 35 years. Mr. Dayal retired in 2001 as the Secretary (Banking), Ministry of Finance
Dr. S K Gupta	Independent Non-Executive Director	Mr. S.K. Gupta was appointed as a Director in November 2005. Dr. Gupta is a B.Sc (Met.Engg), Ph.D (Tech) and D.Sc (Tech) and served as Managing Director of Rourkela Steel Plant of Steel Authority of India Limited and Director of MECON Limited, Rastriya Ispat Nigam Limited, Mishra Dhatu Nigam Ltd., Industrial Development Bank of India and Hindustan Zinc Limited.
Mr. Kuldip Bhargava	Independent Non-Executive Director	Mr. Kuldip Bhargava holds a bachelors degree in arts. Mr. Bhargava is an industrialist with over 30 years of experience in managing companies in the steel rolling, casting, fabrication and tube making industries. He was appointed as a Director on the Company's Board in 2001. He is Chairman of the Audit Committee.
Dr. Raj Kamal Agarwal	Independent Non-Executive Director	Dr. Raj Kamal Agarwal is a leading medical practitioner in Delhi, joined the with effect from January 2006. He Board is also a member of the Directors' audit committee.
Mr. H. S. Chaudhary	Whole Time Director	Mr. H. S. Chaudhary holds a bachelors degree in arts. Mr. Chaudhary has more than 20 years of experience in project planning and implementation. He has served in several companies within the Jindal Organization in various capacities. He joined the Board of Directors in 1988.
Mr. Ravinder Nath Leekha	Independent Non-Executive Director	Mr. Ravinder Nath Leekha, an Industrialist and Managing Director of Leekha Chemicals Pvt. Ltd., one of the leading Lead Based PVC Additives manufacturing company supplies

		basic raw materials to renowned manufacturers of PVC Compound , Pipes & Flooring. A Graduate in Science Discipline (Chemistry) Mr. Leekha's dynamic career holds over 30 years of experience in the field of highly competitive chemical industry in India.
Mr. Girish Sharma	Independent Non-Executive Director	Shri Girish Sharma is a Commerce Graduate from Delhi University and Masters in Marketing and Business Management from the Faculty of Management Studies, Delhi University. Shri Sharma has recently retired as Chief Commissioner of Income Tax after putting more than 33 years in IRS in various capacities. During his tenure he served in the capacity as Director, Government of India, Department of Fertilizers from December, 1997 to February, 2002 and has been associated with number of public sector companies as Director and has been Chairman & Managing Director of Pyrites, Phosphates & Chemicals Ltd., a Government of India Enterprise. Shri Sharma has widely travelled across the globe and has attended various seminars on different issues of management. He has been involved with tax administration and investigation in the Department of Income Tax. Besides, he is also a director of Delhi Gymkhana Club Ltd.

SHAREHOLDING PATTERN AS ON 30.06.2012

	CATEGORY	NO OF SHARES	%
1	PROMOTERS	127049485	46.00
2	NRI	658597	0.24
3	FIIS	61642315	22.32
4	CORPORATE BODIES	41522065	15.03
5	FI/BANK/MF/UTI/INS.	31372416	11.36
6	PUBLIC	13978643	5.06
	TOTAL	276223521	100.00

Company Overview-Jindal Saw Ltd

Jindal Saw Ltd is India's most diversified manufacturer and supplier of pipe products for the energy, water industry and other industrial applications. Its customers include some of the world's leading oil and gas companies, municipal corporations as well as engineering companies engaged in oil and gas gathering, water transportation system, power and automobile facilities. Its principal products include (a) large diameter SAW pipes (Longitudinal Submerged Arc Welded (LSAW) and Helically Submerged Arc Welded (HSAW)), (b) Seamless Tubes, and (c) Ductile Iron (DI) pipes. JSL manufacturing facilities are located in various parts in western, northern and southern part of India. Indian production facilities produce pipes to meet global specifications and standards. Approx.50% of its products (primarily large diameter SAW pipes and Seamless Tubes) are sold in global markets. JSL has a drill pipe facility in Texas, USA which has also become operational. .

In DI Pipe segment, JSL has received approvals from various countries for executing export orders. In FY2013 the Company expects to export good volumes to MENA region, UK, Europe etc. To create a significant presence and cater to the demand of export market, the following steps, among others, have been taken by the Company :-

- (a) setting up a DI pipe plant in India with focus on export markets;
- (b) setting up a state-of-the-art DI pipe plant in Abu Dhabi (UAE) primarily for MENA region and West Asia and
- (c) operating an Italian (Europe) DI Pipe plant producer for operations and sales in Europe and other markets.

JSL has also executed a mine lease agreement with the State Government of Rajasthan in relation to iron ore mines in district Bhilwara. These mines have low quality iron ore which shall be first improvised and thereafter part of the iron ore shall be used for the Company's DI pipe plants in Mundra (Gujarat) and the balance shall be converted into pellets. JSL expects to commence and stabilize operations in beneficiation plant in Quarter ending Sep 2012 and the pellet plant is expected to commence operations in Quarter ending June 2013. The Company's efforts in the iron ore vertical shall create jobs in the State of Rajasthan, increase revenue to the exchequer and facilitate conversion of sewage water to industrial water.

Pipe Industry Dynamics

For Oil and Gas industry

Dynamics of the steel pipes and tubes industry are closely intertwined with the trends in the construction and oil and gas industries and also influenced by the pace of infrastructure development projects. As a result, economic development and industrialization are primary growth drivers for the global steel pipes and tubes market. The steel and non-ferrous pipes and tubes market witnessed a sharp decline in demand during the recession. Steel pipe industry, which is largely dependent on the spending in sectors such as natural gas exploration, non-residential and residential construction, consumer goods manufacture, highway spending and agricultural spending, witnessed downward trend due to the weakening economic conditions. The decline was evident across various sectors of the steel industry including tubular steel, stainless steel, substrate metal, and steel tubes.

The increasing energy security investments of global governments particularly from developing regions are likely to generate steady demand for steel pipes. In developed countries, growth opportunities are anticipated due to the need for replacement of existing pipeline systems that are more than 25 years old. Rapidly expanding population, improving standards of living, and steady economic growth are expected to significantly enhance the demand for various forms of energy including oil and gas. While liquid fuels would continue to be used widely, natural gas is set to emerge as the fastest growing fuel source owing to its energy conserving characteristic, which in turn is likely to enhance demand for pipeline systems. The increasing demand for natural gas and oil and the enhanced investment in the production and exploration activities is driving growth in the global oil country tubular goods (OCTG) market. Rising demand for oil and energy from the emerging markets – in particular India and China, and the subsequent growth in drilling activity is expected to fuel the

demand OCTG pipes. Escalating prices of oil and gas are also fuelling drilling activity, thereby enhancing the demand for OCTG pipes.

For Water Industry

Pipes are vital to the global water industry; they connect source to consumer efficiently, economically and reliably. Because the journey of water from source to treatment plant to consumer to waste treatment and ultimately back to the source can take many different paths, a wide variety of materials and sizes has arisen to best handle each segment of the trip. In most regions of the world, water must be moved in large volumes from source to market, typically in canals or large diameter pipe.

The market for water pipes is strong and the worldwide demand is approximately \$50 billion. Over the next five years, GWI estimates the global domestic water industry will continue to grow at 2.5-3%, and then accelerate to 6.5-7.5% in the next decade as rehabilitation, increased service to growing populations and a surge in private investment which ensures a glowing future for the water pipes industry.

Jindal SAW Limited – Operations and strategy

Jindal Saw Limited is the most diversified Indian pipe Company with capacity that caters for oil and gas utility companies (SAW pipes), exploratory drilling and industrial capex-related industries (seamless pipes), and water infrastructure (DI pipes). The Company follows a strategy to de-risk its business model by way of horizontal expansion as well as by diversifying in the high value added business areas. Company' initiative in iron ore mining would not only provide a stable source of iron ore for its DI pipe making facilities in India but the value addition is expected to boost its profitability, in the time to come.

The Company believes that a right blend of sales in domestic and global markets with low cost of operations would improve the credit quality and provide superior returns to its shareholders. The Company is also mindful of short to medium term market challenges and thus intends to create a model for long term sustainability.

Strategic Vision of the Company

- Focus on manufacturing products to meet highest standards for domestic and international markets.
- Enhancing Seamless and welded pipe (L SAW and H SAW) product mix to increase productivity, efficiency and product margins.
- Positioning the Company as a global producer and supplier of DI Pipes by having capacities in various parts of the world and through strategic alliances.
- Capitalize on Iron Ore mines for long term sustainable benefits while complying to all the regulations

Competitive Strengths of the Company

The Company's main competitive strengths include:

- a) its multi-location and primarily port based production facilities and most diversified product range;
- b) its solid and diversified customer base and historic relationships with major international oil and gas companies around the world with proximity to customers;
- c) its human resources;
- d) its low-cost operations, primarily at state-of-the art, strategically located production facilities with favourable access to raw materials, energy and labour, and 25 years of operating experience; and
- e) its strong financial condition.

Overview of the Companys Manufacturing Business

Jindal Saw has diversified from a single product Company to a multi-product Company, manufacturing large diameter submerged arc pipes and spiral pipes and bends for the energy transportation sector; carbon, alloy and stainless steel seamless pipes and tubes manufactured by conical piercing process used for industrial applications; and DI pipes for water and sewage transportation. Besides these, the Company also provides

various value added products like pipe coatings, bends and connector castings to its clients. The Company has also expanded its capacities in HSAW pipes and DI pipes segment, targeting both domestic and export markets. This enables it to have relatively lower dependence on the oil and gas sector.

Jindal Saw Limited, India's main products and services and their principal applications are set out in the table below:

Products and Services	Applications
Large Diameter SAW Pipes	
LSAW pipes	Onshore and offshore oil and gas transportation
HSAW pipes	Cross-country water and sewage transportation, transportation of gases at low pressures, transportation of crude and refined petroleum products
Seamless Tubes	
Hot mill tubes and pipes	Oil country tubular goods applications, petroleum industries and refineries, boilers, automobile engineering, mechanical and general engineering, heat exchangers and low temperature applications
Cold mill tubes and pipes	Food and beverages industry, refrigeration industry, heat exchangers, boilers, cryogenic applications, automotive engineering
Others	
DI pipes	Urban and rural water transportation and supply, urban and rural sewage transportation
Pig iron	Castings
Coatings	
Three layer polyethylene/polypropylene coating	Anti-corrosion protective coating
Fusion bond epoxy coating	Anti-corrosion protective coating
Coal tar-enamel/bitumen coating	Protective coating
Concrete weight coating	Protective weighted coating for under-sea pipes
Internal epoxy coating	Anti-corrosion protective coating to ensure pipe life and to ensure a smooth flow of liquids inside the pipe
Internal cement mortar linings	Protective coating for pipes used to transport potable water
Monel sheathing	Anti-seawater corrosion metal coating for pipes used in offshore activities

Business outlook for the Pipe Industry

India is currently witnessing huge oil & gas activity on the E&P front. With the current oil and gas activities on the E&P front, the demand for pipes is expected to pick up to meet the domestic demand and for sustaining the demand for future supplies. So it will drive the demand for pipes and fittings. The industry has a promising future with the demand for crude oil expected to go up with resurging economic activities and this will benefit the ancillary industries like pipe.

Owing to the accelerated growth in the infrastructure industry, resulting in large-scale construction and development activity, the pipes and fittings industry is a rapidly growing industry. In common parlance, pipes are essential for connectivity, be it for water supply inlets to provide for clean and waste water distribution systems, agriculture watering system, liquid discharge installations, water sprinkling systems, sanitation and sewerage disposals etc.

After seeing a slowdown in previous years, the domestic pipe industry is expected to witness strong growth due to huge investments in oil and gas in India. The government thrust on water supply and irrigation is also expected to contribute to the domestic demand. With an established track record, proximity to key markets like the Middle East and rising international client accreditations, the industry is increasing its presence in global market. It expects exports to grow at compounded rate of 8-9 percent over the next years. The export opportunity could be further propelled by the expected emergence of replacement demand from USA. With the current oil and gas activities on the E&P front, the demand for pipes will pick up to meet the domestic demand

and for sustaining the demand for the future supplies. Domestic market conditions more particularly Boiler and automobiles sectors, have also improved. Also the demand outlook in export market has improved and demand is likely to move up gradually.

Businesses under JSLs wholly owned Subsidiary-JITF

Jindal Saw Limited through its wholly owned subsidiary, Jindal ITF Limited, has ventured into infrastructure businesses with focus on water and waste water management (JWIL), Urban Solid Waste management (JUIL), coastal and inland water transport (JWWL) Rail wagon manufacturing (JRIL) and Coal transportation in Inland water (JITF). Jindal ITF Limited is the driving impetus behind development of sustainable infrastructure that matches global standards. Jindal ITF Limited operates these businesses directly and through its subsidiaries.

JITF Water Infrastructure Ltd (“JWIL”) designs sustainable and innovative solutions to manage public utilities for government bodies/ urban local bodies, industrial cluster and SEZs in water and wastewater management. JWIL is geared to design, build and install solutions for Municipal corporations/ urban local bodies, Industrial clusters and SEZ, in Potable Water, Waste water Management, Operation and management contracts of public utilities, desalination processes and Engineering-Procurement-Construction (EPC) contracts. Currently the Company is executing projects in Pondy, Karnataka, Andhra, Gujarat, Bihar, Assam, Rajasthan, Chhattisgarh both in BOOT/BOT basis as well as Cash Contracts.

JITF Urban Infrastructure Ltd (JUIL) has set up first commercial waste-to-energy (WTE) facility in New Delhi that aims to convert one-third of the Delhi garbage into electricity. The project has started commercial operations and is registered for CDM benefit with United Nations Framework Convention on Climate Change (UNFCCC) for earning carbon credits. The project is the first and largest integrated waste management project ever being set up in the country, aiming for a sustainable solution (Zero Waste Concept) taking Municipal Solid Waste (MSW) through an environmentally friendly process to generate clean and renewable energy from MSW. It is the largest integrated waste to power project in India and first of its kind with a 16 MW power project. It lowers the risk of groundwater contamination and dependence on fossil fuels, a major contributor to greenhouse gas emissions. It maximizes the recycling and re-use of resources (water, metals, ashes). JUIL is also working in few more cities in Punjab.

JITF Waterways Limited (JWWL) is total Logistics Solutions Provider focusing on High-frequency, High reliability point to point delivery services. The Company and its subsidiaries have 8 ships and 3 barges with total capacity of more than 100000 DWT. JWWL is geared to effectively operate along the 7600 km Indian coastline, with operations on coastal as well as inland waterways & International shipping, shipping both containers and bulk cargo.

Jindal Rail Infrastructure Limited (JRIL) is involved in fabrication of Railway cargo wagons especially of stainless steel. The state of the art and environmental friendly manufacturing facility with an installed capacity of 3000 wagons per annum has been set up at Karjan, District Vadodara, in Gujarat. The site lies to the west of NH-8 highway, nearly 35 km from Vadodara, Gujarat connected through NH-8. The facility has already commenced commercial operations and the company has already shipped wagons after due stringent approvals.

Jindal ITF Limited is setting up a facility comprising of a fleet of barges and one transhipper for inland operations for the transportation of imported coal for NTPC at Farakka thermal power plant. NTPC operates a 2100 MW thermal power plant at Farakka, District Murshidabad, West Bengal. The project is for transportation of around three million metric tonnes (3MTPA) of imported coal per annum through inland waterways from Haldia port to NTPC power Plant at Farakka with assured take or pay. The operations will commence in two phases with first phase to become operational before end 2012 and the second by mid 2013.

Key Investment Considerations

1. Diversified pipe manufacturer with strong market positioning: The Company has a well diversified pipe portfolio which enables it to capitalize the opportunities in global infrastructure. The Company is a leading player in the domestic Submerged Arc Welded (SAW) pipes industry and has a wide product range for both LSAW and HSAW range of pipes. In addition, Jindal SAW is a major player in the Ductile Iron and

Seamless pipes segment. It also enjoys accreditation from various large global players, with proven track record of deliveries. It has an order book of approximately USD 680Million to be executed in the next 3-4 quarters.

2. Backward integration into iron ore mine will provide cost competitiveness in the coming years: The Company currently purchases iron ore from local market, for manufacturing ductile iron pipes. With the iron-ore mine allotment in Rajasthan, the Company shall be self sufficient to meet its demand of iron ore for production of DI pipes. This is expected to boost the EBITDA margins of the Company.
3. Capacity expansion in ductile iron in India and the Middle East will help win water and sewerage project orders: The plant in Abu Dhabi should help it capture greater market share in the fast-developing Middle East market. In India, with growing urbanization, there is huge potential growth in the water and sewage industries. The 11th five year plan earmarked INR 540bn to provide water supply coverage to 100% of the urban population. The Company is the only pipe manufacturer capable to provide full pipe solution by supplying H Saw and Ductile Iron Pipes for the water and sewage applications.

4. Drill Pipe Facility in Baytown USA to increase business potential of seamless business: Jindal Saw is nearing completion of its drill pipe facility in Bay Town, Texas USA to manufacture drill pipes. These pipes are used in drilling the wells by oil & gas companies. The revenue and profitability for these pipes is expected to be higher. This can help in boosting the turnover and profitability of the seamless segment.
5. Diversification: Jindal SAW has diversified into the infrastructure business with investments in waste water treatment projects, waste based power projects, shipping and wagon manufacturing, through a separate subsidiary Jindal ITF (JITF). These businesses are expected to be benefitted from the boom in Indian infrastructure spends.
6. World class clientele: Jindal Saw has more than 25 years of experience in providing SAW pipes to the oil and gas sector has helped it maintain a leadership position in this sector despite entry of other players in India. India clients include the top tier of oil & gas and EPC companies such as BPCL, IOC, ONGC, GAIL, Reliance Industries, Oil India, and Larsen & Toubro. In addition to domestic sales, Jindal Saw has a strong presence in the export market including the U.S., West Asia, and Africa which accounts for almost 50% of its revenues. It is the preferred supplier to global clients due to its stringent quality standards, which have been certified by the American Petroleum Institute. The Company's roster of global clients include among others Shell, British Gas, Bechtel, Centre Point Energy, Saudi Arabian Oil Company, Oman Gas Company Gulf South Pipeline company, USA, CNPC China, and Saipem (Italy).

Share Capital Details

The Share capital as at March 31, 2012 is set forth below.

Particulars	Amount (Rs. In Lacs)
A. Authorised Capital	
50,00,00,000 Equity Shares of Rs 2/- each	10,000.00
1,00,00,000 Preference Shares of Rs. 100/- each	10,000.00
TOTAL	20,000.00
B. Issued, Subscribed and Paid-Up Equity Share Capital:	
276230771 Equity Shares of Rs 2 /- each	5524.62(*)
C. Share Premium Account	56821.26

(*) Including Rs 0.04 lac on account of forfeited shares

Paid up Capital after this Issue and Share Premium Account

This Issue will not have any impact on the paid up capital of the Company. This Issue will not have any impact on the share premium of the Company.

Particulars of Share Capital History

S.No.	Security Description	Date of allotment	No. of Shares	Issue price		Distinctive Numbers	ISIN Code
				Nominal	Value Premium		
1	Equity Shares (IPO)	10.09.1986	3992000	10/-	NIL	1-3992000	INE324A01016
2	Equity Shares	10.09.1986	2008000	10/-	NIL	3992001-6000000	INE324A01016
3	Equity Shares	17.03.1990	1970936	10/-	NIL	6000001-7970936	INE324A01016
4	Equity Shares	05.10.1993	4643000	10/-	NIL	7970937-12613936	INE324A01016
5	Equity Shares	15.03.1994	6190318	10/-	NIL	12613937-18804254	INE324A01016
6	Equity Shares	29.06.1994	570000	10/-	440/-	18804255-19374254	INE324A01016
7	Equity Shares	16.02.1995	19146004	10/-	NIL	19374255-38520258	INE324A01016
8	Equity Shares	16.11.1995	2500	10/-	NIL	38520259-38522758	INE324A01016
9	Equity Shares	26.02.1997	456500	10/-	NIL	38522759-38979258	INE324A01016
10	Equity Shares	21.07.1998	200	10/-	NIL	38979259-38979458	INE324A01016
11	Equity Shares	20.09.2005	8135000	10/-	340/-	38979459-47114458	INE324A01016
12	Equity Shares	17.10.2005	1250000	10/-	340/-	47114459-48364458	INE324A01016
13	Equity Shares	05.11.2007	102352	10/-	665/-	48364459-48466810	INE324A01016
14	Equity Shares	05.11.2007	2412542	10/-	473/-	48466811-50879352	INE324A01016
15	Equity Shares	05.12.2007	263191	10/-	665/-	50879353-51142543	INE324A01016
16	Equity Shares	05.01.2008	731087	10/-	665/-	51142544-51873630	INE324A01016
17	Equity Shares	09.02.2008	248570	10/-	665/-	51873631-52122200	INE324A01016
18	Equity Shares	18.09.2009	2600897	10/-	809/-	52122201-54723097	INE324A01016
19*	Equity Shares	09.04.2010	289511	2/-	133/-	328615486-328904996	INE324A01024
20	Equity Shares	23.04.2010	1810762	2/-	133/-	328904997-330715758	INE324A01024
21	Equity Shares	28.05.2010	511763	2/-	133/-	330715759-331227521	INE324A01024

2. Shares issued for consideration other than cash
3. Equity Shares are allotted as fully paid up to the shareholders of Swastik Foils Ltd. as per Scheme of Amalgamation order dated 3rd August / 11th September, 1989 of the Hon'ble High Court of Delhi.
4. Equity Shares are allotted as fully paid up to the Shareholders of Swastik Udyog Ltd. as per Scheme of Amalgamation order dated 17.8.1993 and 27.8.1993 of the Hon'ble High Courts of Punjab & Haryana and Delhi.
5. Ist Bonus in the Ratio 2:1
6. Private Placement
7. IInd Bonus in the Ratio 1:1
8. Allotment of IInd Bonus shares kept in Abeyance
9. Allotment of Ist & IInd Bonus shares kept in Abeyance
10. Allotment of Ist & IInd Bonus shares kept in Abeyance
11. Shares representing Global Depository Shares
12. Shares representing Green Shoe Option of Global Depository Shares
13. Shares have been allotted on conversion of FCCBs
14. Shares have been allotted on conversion of warrants allotted to the Promoters on Preferential Basis.
15. Shares have been allotted on conversion of FCCBs.
16. Shares have been allotted on conversion of FCCBs.
17. Shares have been allotted on conversion of FCCBs.
18. Shares have been allotted on preferential basis to Anbeco Investments Ltd., Cyprus on conversion of CCDs.
19. Shares have been allotted on conversion of FCCBs.
20. Shares have been allotted on conversion of FCCBs.
21. Shares have been allotted on conversion of FCCBs.

* With effect from 11th December, 2009 the face value of equity shares of Rs. 10/- each was sub-divided into equity shares of Rs. 2/- each.

(b) Preference share capital history of the Company

The Company had issued 1,00,00,000 7.85% Redeemable Non Convertible Cumulative Preference shares of Rs. 100/- each aggregating to Rs. 10,000 lacs. These were allotted on 22nd September, 2005. The same were redeemable in three yearly installments in the ratio of 30:30:40 at the end of 5th, 6th and 7th year from the allotment date. These carried put/call option at the end of the 5th year from the date of allotment. The Company exercised the call option at the end of 5th year and repaid the full amount of Rs. 10,000 lacs in September 2010.

(c) History of convertible debentures or other debt securities issued by the Company and outstanding as on date:-

In April 2011, the Company raised Redeemable Non Convertible Debentures of Rs. 300 Crs with a coupon of 10.75% payable quarterly. These are redeemable in 3 equal installments of Rs.100 Crs each at the end of 4th, 5th and 6th year from the date of allotment.

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Confirmations

There has been no default in payment of due interest or redemption in relation to debt securities issued by the Company or borrowings availed by the Company prior to the date of this Disclosure Document. Further, the Company has not issued any debt securities for consideration other than cash prior to the date of this Disclosure Document.

There are no other debt securities that have been issued by the Company at a premium or discount or pursuant to any option.

Financial Snapshot

Jindal Saw Ltd : Balance Sheet as at March 31, 2012-08-10

Particulars	As At 31st March, 2012	As At 31st March, 2011
I. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
(a) Share Capital	5,524.58	5,524.58
(b) Reserves and Surplus	349,766.93	396,594.16
(2) Non-Current Liabilities		
(a) Long-term borrowings	96,867.37	8,905.73
(b) Deferred tax liabilities (Net)	10,251.59	22,664.78
(c) Other Long term liabilities	7.74	44.20
(d) Long term provisions	2,889.72	2,221.84
(3) Current Liabilities		
(a) Short-term borrowings	151,668.47	115,527.81
(b) Trade payables	43,688.85	31,836.58
(c) Other current liabilities	93,509.30	95,116.75
(d) Short-term provisions	3,826.52	3,690.81
Total	758,001.07	682,127.24
II.Assets		
(1) Non-current assets		
<i>(a) Fixed assets</i>		
(i) Tangible assets	202,918.21	191,829.81
(ii) Intangible assets	841.65	722.00
(iii) Capital work-in-progress	69,140.80	34,417.40
(b) Non-current investments	69,896.54	65,430.84
(c) Long term loans and advances	25,285.08	22,957.21
(d) Other non-current assets	1,960.08	818.76
(2) Current assets		
(a) Inventories	180,350.25	164,820.29
(b) Trade receivables	128,962.17	123,461.15
(c) Cash and Bank balances	17,221.58	9,324.91
(d) Short-term loans and advances	60,732.24	67,438.73
(e) Other current assets	692.47	906.14
Total	758,001.07	682,127.24

Jindal Saw Ltd : profit & Loss Statement as on 31st March, 2012

Particulars	Year Ended 31st March, 2012	Year Ended 31st March, 2011
I. Gross Revenue from operations	537,996.44	435,125.71
Less : Excise Duty	18,206.13	15,731.54
Net Revenue from operations	519,790.31	419,394.17
II. Other Income	9,333.11	6,254.12
III. Total Revenue (I +II)	529,123.42	425,648.29
IV. Expenses:		
Cost of materials consumed	389,060.67	246,826.97
Purchase of Stock-in-Trade	3,185.95	3,212.30
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(46,878.00)	(1,356.90)
Employee benefit expenses	23,746.16	20,501.79
Finance costs	11,392.89	15,099.36
Depreciation and amortisation	14,965.79	13,666.44
Other expenses	87,272.54	67,152.47
Total Expenses	482,746.00	365,102.43
V. Profit before exceptional and extraordinary items and tax	46,377.42	60,545.86
VI. Exceptional Items (Refer note no. 34)	14,080.60	-
VII. Profit before extraordinary items and tax (V - VI)	32,296.82	60,545.86
VIII. Extraordinary Items	-	-
IX. Profit before tax (VII - VIII)	32,296.82	60,545.86
X. Tax expense:		
(1) Current tax	6,500.00	10,055.25
(2) Deferred tax	9,628.00	4,084.00
(3) MAT Credit Entitlement	(6,250.00)	-
	9,878.00	14,139.25
XI. Profit for the year after taxation	22,418.82	46,406.61
XII. Earning per equity share of face value of ` 2/- each.		
(1) Basic	8.12	16.57
(2) Diluted	8.12	16.00

DETAILS OF DEBT SECURITIES ISSUED AND SAUGHT TO BE LISTED

In terms of this Information Memorandum, the Company intends to raise an amount of Rs. 100 Crs. of Listed Secured Redeemable Non Convertible, Series 1, Series 2 & Series 3 Debentures of face value Rs 10,00,000 (Ten Lakh) each through private placement and list such Debentures in the WDM segment of NSE.

Maturity Date

Series 1 : At the end of 6th year from the Deemed Date of Allotment

Series 2 : At the end of 7th year from the Deemed Date of Allotment

Series 3 : At the end of 8th year from the Deemed Date of Allotment

Issue Price

At Par

Call Option Date

Call option at the end of 3 years from the deemed date of allotment for each of the Series 1, Series 2 & Series 3 debentures. Subsequently, there would be a call option at the end of every year till maturity for each of the Series 1, Series 2 & Series 3 Debentures.

Rate of interest

The bonds are offered at a fixed rate of interest for the specific periods.

Series 1: 10.50% p.a., payable annually

Series 2: 10.50% p.a., payable annually

Series 3: 10.50% p.a., payable annually

ISSUE SIZE

The Company proposes to mobilize through private placement of listed secured redeemable non-convertible Debentures of the face value of Rs.10,00,000/- each at par aggregating to Rs. 100 crs

OBJECTS OF THE ISSUE

The activities for which funds are being raised by the Company through this Issue are:

The Proceeds of this issue, after deducting the expenses associated with the Issue would be utilized towards ongoing capital expenditure, refinancing of existing debt and long term working capital

Interim Use of Funds

Pending utilisation for the purposes described above, the Company intends to temporarily invest the funds in high quality interest/dividend bearing liquid Debt instruments including money market mutual funds, deposits with banks for the necessary duration and other investment grade interest bearing securities. Such transactions would be at the prevailing commercial rates at the time of investment.

MATERIAL CONTRACTS, ARRANGEMENTS IN RELATION TO THE ISSUE

The Company, in the ordinary course of its business, enters into various agreements, including loan agreements and joint venture agreements, which may contain certain financial obligations and/or provisions which may have an impact on its financial condition. Such contracts or agreements may be provided by the Company for inspection upon request by the Debentureholders, at the Corporate Office from 11.00 am to 1.00 pm on business days from the date of this Disclosure Document, until the date of closure of this Issue.

Mentioned below is an illustrative list of certain contracts, arrangements or documents, entered into by the Company in relation to or pertaining to this Issue, as on date of this Disclosure Document.

- Memorandum and Articles of Association of the Company;
- Annual report of the Company for the year ended March 31, 2012 and audited financials of the Company for Fiscal 2012
- Board Resolution dated authorizing the issue of Debentures offered under the terms of this Disclosure Document;
- Letter of consent from Axis Trustee Services Limited for acting as Trustees for and on behalf of the

Debentureholders;

- Copy of application made to the NSE for grant of in-principle approval for listing of the Debentures;
- Letter from NSE conveying its in-principle approval for listing of the Debentures; and
- Letter from CARE conveying the credit rating for the Debentures and the rating rationale pertaining thereto.

DETAILS OF OTHER BORROWINGS INCLUDING ANY OTHER ISSUE OF DEBT SECURITIES

Present Financial Indebtedness

The Company has availed of certain secured and unsecured credit facilities from various lenders. The secured and unsecured loans outstanding as at March 31, 2012 have been utilized for financing working capital requirements and also for acquisition of certain fixed assets.

Set forth below is a brief summary of the Company's aggregate secured and unsecured borrowings as of March 31, 2012:

Category of Lender	Outstanding Amount (Rs. In Lacs)
Secured	
Term Loan from Banks	43700.00
Working Capital Loan from Banks	90750.16
Total Secured Loan (A)	134450.16
Unsecured	
Fixed Deposits from Public	1765.57
Deferred Sales Tax Loans	4342.48
External Commercial Borrowings (*)	47073.36
Other short term working capital loans	60904.27
Current Maturities of long term debt	3137.11
Total Unsecured Loans (B)	117222.79
Total Borrowings (A+B)	251672.95

ANY MATERIAL EVENT/DEVELOPMENT OR CHANGE AT THE TIME OF ISSUE OR SUBSEQUENT TO THE ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST/COME TO INVEST IN THE DEBT SECURITIES

Other than as disclosed in the section titled "History, Capital Structure and Certain Corporate Matters – History of the Company" mentioned elsewhere in this Disclosure Document, in the opinion of the Board of Directors, there has not arisen, since the date of the last financial statements, any circumstance that materially or adversely affects the profitability of the Company taken as a whole or the value of the consolidated assets or the ability to pay the material liabilities over the next 12 months.

PARTICULARS OF DEBT SECURITIES ISSUES (A) FOR CONSIDERATION OTHER THAN CASH WHETHER IN WHOLE OR PART, (B) AT A PREMIUM OR DISCOUNT OR (C) IN PURSUANCE OF AN OPTION

The Company hereby confirms that it has not issued any debt securities or agreed to issue any debt securities for consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception.

LIST OF HIGHEST TEN HOLDERS OF EACH CLASS OR KIND OF SECURITIES

JINDAL SAW LTD

LIST OF TOP 10 SHAREHOLDERS AS ON 30.06.2012			
S.NO	NAME OF HOLDER'S	HOLDING AS ON 30.06.2012	HOLDING %
1	NALWA SONS INVESTMENTS LTD	53550000	19.39
2	SIGMATECH INC	30120000	10.90
3	RELIANCE CAPITAL TRUSTEE COMPANY LIMITED A/C	15221887	5.51
4	TIGER GLOBAL MAURITIUS FUND	13532000	4.90
5	ANBEECO INVESTMENTS LTD	13004485	4.71
6	CRESTA FUND LTD	11367245	4.12
7	JINDAL EQUIPMENTS LEASING & CONS	11640000	4.21
8	VALIANT MAURITIUS PARTNERS LIMITED	8944965	3.24
9	RELIANCE LIFE INSURANCE COMPANY LIMITED	8412988	3.05
10	VALIANT MAURITIUS PARTNERS OFFSHORE LIMITED	5898010	2.14

List of Equity Holders

List of Debt Holders

Holder	No. of Debentures	Address
GIC	150	Suraksha, 170,J.TATA Road, Churchgate, Mumbai-400020
Reliance Capital Trustee-A/cReliance MIP	500	Deutsche Bank AG, DB House, Hazarimal Somani Marg, Post Box No. 1142, Fort, Mumbai
Reliance Regular Savings Fund-Debt	500	Deutsche Bank AG, DB House, Hazarimal Somani Marg, Post Box No. 1142, Fort, Mumbai
Axis Bank Ltd	800	Treasury OPS, Non SLR Desk Corp Off. Axis House, Level 4, South Block Wadia international Center P B Marg Worli, Mumbai
NPS TrustA/c SBI Pension Fund	650	C/O SBI Pension Funds Pvt. Ltd., No. 32, maker Chambers-III, Nariman Point, Mumbai-400021
NPS Trust A/c LIC Pension Fund	400	C/O LIC pension Fund Ltd., Yogakshema, East Wing, 7 th Floor, Jeevan Bima Marg, Mumbai-400021

UNDERTAKING REGARDING COMMON FORM OF TRANSFER

The Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the Depositories/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to his Depository Participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company.

REDEMPTION AMOUNT,PERIOD OF MATURITY, YIELD ON REDEMPTION

The Series 1, Series 2 & Series 3 debentures will mature at face value totalling to a maturity amount of Rs. 100 crs. Maturity & Yield:

Series 1: 6 Years from the deemed date of allotment, yielding 10.50% p.a.

Series 2: 7 Years from the deemed date of allotment, yielding 10.50% p.a.

Series 3: 8 Years from the deemed date of allotment, yielding 10.50% p.a.

INFORMATION RELATING TO THE TERMS OF OFFER OR PURCHASE

I. GENERAL TERMS AND CONDITIONS APPLICABLE TO THE DEBENTURES

Issuer	Jindal Saw Limited
Instrument	Secured, Rated, Listed, Non-convertible redeemable debentures
Rating	“CARE AA-” by CARE
Total Issue Size	Rs. 100 Crores
Issue Amount per series	Series 1 : Rs. 30 Crs. Series 2 : Rs. 30 Crs, Series 3 : Rs. 40 Crs,
Face Value(Each Series)	Rs. 10,00,000
Issue Price	At par, being Rs. 10,00,000
Mode of Issuance	Dematerialised
Minimum Subscription	10 Debentures of Rs 10,00,000 each and in multiples of 1 thereafter
Tenure/Redemption	Series 1 : 6 Years from the deemed date of allotment Series 2 : 7 Years from the deemed date of allotment Series 3 : 8 Years from the deemed date of allotment
Call Option	- At the end of 3 years from the deemed date of allotment for each of the Series 1, Series 2 & Series 3 Debentures Subsequently: - At the end of each of 4 th & 5 th years from the deemed date of allotment for Series 1 Debentures - At the end of each of 4 th , 5 th & 6 th years from the deemed date of allotment for Series 2 Debentures - At the end of each of 4 th , 5 th , 6 th & 7 th years from the deemed date of allotment for Series 3 Debentures
Put Option	None
Credit Rating	‘CARE AA-’ by CARE
Coupon	Series 1 : 10.50% p.a. Series 2 : 10.50% p.a. Series 3 : 10.50% p.a.
Call option record date	15 calendar days prior to the call option exercise date
Call option notice period	Issuer to provide a notice to Debenture holders atleast 10 days before the call option exercise date
Interest Payment	Annual, rear ended. To be paid on an Actual/Actual day basis
Issue Opening Date[^]	7 th September, 2012
Issue Closing Date[^]	7 th September, 2012
Pay-in Date[^]	7 th September, 2012
Deemed Date of Allotment[^]	12 th September, 2012
Redemption Date	Series 1 : At the end of 6 Years from the deemed date of allotment Series 2 : At the end of 7 Years from the deemed date of allotment Series 3 : At the end of 8 Years from the deemed date of allotment
Purpose	Towards ongoing capital expenditure, refinancing of existing debt and long term working capital
Security	First Pari-Passu charge on the present and future fixed assets of the company, ensuring a minimum cover of 1.25 times of the debenture issue amount, at all times
Listing	Proposed on the wholesale debt market segment of the NSE.
Trustee	Axis Trustee Services Ltd.

Issuance Format	The Debentures/ Letters of Allotment shall be issued by the Company in dematerialized form within three Working Days from the Deemed Date of Allotment.
Depositories	NSDL and CDSL
Registrars	RCMC Share Registry (P) Ltd.
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system / e-banking.
Mode of Subscription	Cheque(s)/ demand draft(s) may be drawn in favour of "Jindal Saw Limited" and crossed "Account Payee Only" payable at par at designated centers mentioned elsewhere in this Disclosure Document or remittance through RTGS as per details given in application form.
Record Date	15 calendar days prior to each interest payment and/ or principal repayment date.
Shut Period	The debentures will be shut for trading starting from the record date upto one day after the interest payment is made.(Every year)
Computation of Interest	Interest payable on the Debentures will be calculated on a Actual/Actual basis i.e. on the basis of actual number of days elapsed in a year of 365 or 366 Days as the case may be.

[^] The Company reserves its sole and absolute right to revise the Issue Opening/ Closing/ Pay-In Date(s) without giving any reasons or prior notice. In such a case, investors shall be intimated about the revised time schedule by Company.

TERMS OF THE ISSUE

Issue Size

The Company proposes to raise Rs.100 crores + Greenshoe through this Issue.

Registration and Government Approvals

This Issue is being made in accordance with extant guidelines for issuance of the Debentures, including the SEBI Regulations, as amended from time to time. The Company can undertake the activities proposed by it in view of the present approvals and no further approval from any government authority is required by the it to undertake the proposed activities, save and except those approvals which may be required to be taken in the normal course of business from time to time.

Minimum Subscription

As this Issue is being made on private placement basis, the requirement of minimum subscription is not applicable. Hence, the Company shall not be liable to refund the subscription monies or the proceeds of this Issue in the event of the aggregate proceeds of this Issue falling short of Issue size or a certain percentage of Issue size.

Nature of Debentures

Secured, Redeemable, Non-convertible debentures to be issued on a private placement basis and in dematerialized form. The Company is also offering negative charge on the entire assets of the Company.

Face Value, Issue Price and Effective yield for an investor

Each Debenture has a face value of Rs. 10,00,000 and is issued at par. Since there is no premium or discount on either Issue price or on the redemption value of the Debentures, the effective yield for the investors held to maturity shall be the same as the coupon rate of the Debentures.

Terms of Payment

The face value of the Debentures applied for, shall be required to be paid alongwith the Application Form. Investor(s) need to send in the Application Form and the cheque(s)/ demand draft(s)/ RTGS for the face value of the Debentures applied for.

Deemed Date of Allotment

Interest on Debentures shall accrue to the Debenture holder(s) from and including, which shall be the Deemed Date of Allotment. All benefits relating to the Debentures will be available to the investors from the Deemed Date of Allotment. The actual Allotment may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/ deemed date(s) of Allotment at its sole and absolute discretion without any notice to the Debentureholders. In case the Issue Closing Date is revised, the Deemed Date of Allotment may also be revised by the Company at its sole and absolute discretion.

Call Option

At the end of 3 years from the deemed date of allotment for each of the Series 1, Series 2 & Series 3 Debentures Subsequently:

- At the end of 4th & 5th year from the deemed date of allotment for Series 1 Debentures
- At the end of 4th, 5th & 6th year from the deemed date of allotment for Series 2 Debentures
- At the end of 4th, 5th, 6th & 7th year from the deemed date of allotment for Series 3 Debentures

Call Option Notice Period

Issuer to provide a notice of 10calendar days to Investors before exercising call option on any of the Series 1, Series 2 & Series 3 debentures. The communication will be made to all Investors holding the debentures as on the record date, in writing.

Put Option

No put option available to the Debenture holders.

Letter(s) of Allotment/ Debenture Certificate(s)/ Refund Order(s) Issue of Letter(s) of Allotment

The beneficiary account of the investor(s) with Depositories/ the Depository Participant will be given initial credit within three Working Days from the Deemed Date of Allotment. The initial credit in the account will be akin to the 'Letter of Allotment'. On completion of the all statutory formalities, such credit in the account will be akin to a Debenture Certificate.

Issue of Debenture Certificate(s)

Subject to the completion of all statutory formalities within 90 days from the Deemed Date of Allotment, or such extended period as may be approved by the appropriate authority(ies), the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be replaced with the number of Debentures Allotted. The Debentures since issued in dematerialized form, will be governed under the provisions of the Depository Act, 1996, as amended, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended, rules notified by Depositories/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof.

Depository Arrangements

The Company has entered into depository arrangements with the Depositories. The Debentures shall be issued in dematerialized form as per the provisions of Depositories Act, 1996, as amended. Investors can hold the Debentures only in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996, as amended.

Market Lot

The market lot shall be one Debenture of face value of Rs. 10,00,000 each. Since the Debentures are being issued only in dematerialised form, odd lots will not arise either at the time of issuance or at the time of transfer of the Debentures.

Trading of Debenture

The marketable lot for the purpose of trading of Debentures shall be Rs. 10,00,000 per Debenture. Trading of the Debentures would be permitted in dematerialised mode only in standard denomination of Rs. 10,00,000 per Debenture and such trades shall be cleared and settled in the Stock Exchange subject to conditions specified by SEBI. In case of trading in Debentures which has been made over the counter, the trades shall be executed and reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

Coupon/ Interest Rate

Debentures will carry an interest of 10.50% p.a. on each of the Series 1, Series 2 & Series 3 debentures from the Deemed Date of Allotment.

The interest will be paid from the Deemed Date of Allotment (subject to deduction of tax at source at the rates prevailing from time to time under the IT Act, or any other statutory modification or re-enactment thereof, if any) and is payable annually. The interest shall be computed on the basis of actual number of days lasted in a year. For this purpose a year would comprise a period of 365 days. In case of leap year, the number of days will be 366 days.

If any interest payment date falls on a day which is not a Business Day, the payment of interest will be made on the next day that is a 'Business Day' but without liability for making payment of interest for the intervening period.

Interest Rate in Case of Default

In case of default in payment of interest and/or redemption of the principal amount of the Debentures on the respective due dates, an additional interest at the rate of 2% per annum, over the coupon rate shall be payable to the Debentureholders for the period of default.

Computation of Interest

Interest for each of the interest periods shall be calculated, on an 'actual/365 (366 in case of a leap year) days' basis, on the face value of principal outstanding on the Debentures at the Coupon Rate rounded off to the nearest Rupee.

Record Date

Record Date of interest shall be at least 15 calendar days prior to each interest payment date and/ or principal repayment date. Interest shall be paid to the person whose name appears as sole/ first in the register of Debentureholders/beneficiaries as provided by the Depositories on the Record Date. In the event of the Company not receiving any notice of transfer at least 15 calendar days before the respective date of payment of interest and/ or principal repayment date, the transferees for the Debentures shall not have any claim against the Company in respect of interest so paid to the registered Debentureholder.

Deduction of Tax at Source

Tax as applicable under the IT Act, or any other statutory modification or re-enactment thereof will be deducted at source. Investor(s) desirous of claiming exemption from deduction of income tax at source on the interest on application money are required to submit the necessary certificate(s), in duplicate, along with the Application Form in compliance with applicable laws.

Interest payable subsequent to the Deemed Date of Allotment will be treated as 'Interest on Securities' as per the provisions under the IT Act. Debentureholders desirous of claiming exemption from deduction of income tax at source on the interest payable on the Debentures should submit tax exemption certificate/ document, under Section 193 of the IT Act and if any, at the Corporate Office/ Registered Office of the Company at least 45 days before the payment becoming due. However, with effective from June 1, 2008, tax will not be deductible at source under the provisions of Section 193 of IT Act, if the following conditions are satisfied:-

- (a) Interest is payable on any security issued by a company;
- (b) Such security is in dematerialized form; and
- (c) Such security is listed in a recognised stock exchange in India.

This Issue fulfils the above conditions. Hence, no tax deductible at source will be deducted on the interest payable. However, in case of any subsequent legislative amendments to Section 193 of the IT Act, the applicability of tax deductible at source will be governed at the time of payment of interest on Debentures. Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultant(s).

Put Option

No put option shall be available to the Debenturesholder(s).

Redemption

Series 1: Redeemable at par at the end of 6 years from the deemed date of allotment
Series 2 : Redeemable at par at the end of 7 years from the deemed date of allotment
Series 3 : Redeemable at par at the end of 8 years from the deemed date of allotment

The Debentures will not carry any obligation, for interest or otherwise, after the date of redemption. The Debentures held in the dematerialised form shall be taken as discharged, upon payment of the redemption amount by the Company on maturity to the registered Debentureholders whose name appear in the Register of Debentureholders on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the Debentureholders.

In case the redemption date falls on a day which is not a Business Day, the payment due shall be made on the next 'Business Day'.

Security

First Pari-Passu charge on the present and future fixed assets of the company, ensuring a minimum cover of 1.25 times of the debenture issue amount, at all times.

Security to be created within 180 days from the deemed date of allotment. Any delay in security creation would attract penal interest of 2%p.a. over and above the coupon rate from the deemed date of allotment.

In case the security is not created even after a period of further 3 months over and above the stipulated period of 6 months as mentioned above, the investors shall reserve the right to recall the outstanding principal amounts along with all the accrued interest due and any real/notional losses to the investors

Settlement/Payment on Redemption/ Interest

In accordance with the 'simplified listing agreement for debt securities' issued by SEBI pursuant to its circular (bearing reference no. SEBI/IMD/BOND/1/2009/11/05) dated May 11, 2009, the Company shall use the services of ECS, Direct Credit, RTGS or NEFT for payment of interest and redemption or repayment amounts as per applicable norms of the RBI.

However, in case the abovementioned payment facilities cannot be exercised, the Company shall make payment on redemption/ interest payment by way of cheque(s)/ redemption warrants(s)/ demand draft(s) in the name of the Debentureholders whose name appear on the list of beneficial owners as provided by Depository as on the Record Date.

The Company's liability to the Debentureholders towards all their rights, including for payment or otherwise, shall cease and stand extinguished from the date of redemption in all events. Further, the Company shall not be liable to pay any interest or compensation from the date of redemption. Upon the Company dispatching/crediting the amount to the beneficiary(ies) as specified above in respect of the Debentures, its liability shall stand extinguished.

Effect of Holidays

Should any of dates defined above or elsewhere in this Disclosure Document, excepting the Deemed Date of Allotment, fall on a Saturday, Sunday or a public holiday in Mumbai, the next Working Day shall be considered as the effective date. In case any interest payment date(s) and/or the date(s) of redemption falls on a holiday, interest/ redemption will be paid on the next succeeding Working Day.

List of Beneficial Owners

A list of beneficial owners as provided by the Depositories as on the Record Date shall be considered for payment of interest or repayment of principal amount, as the case may be.

Nomination Facility

In accordance with Section 109 A of the Companies Act, only individuals applying as sole applicant/ joint applicant can nominate, in the prescribed manner, a person to whom his Debentures shall vest in the event of his death. Non-individuals including holders of power of attorney cannot nominate.

Succession

In the event of the demise of the sole/ first holder of the Debentures or the last survivor, in case of joint holders for the time being, the Company will recognize the executor or administrator of the deceased Debentureholder, or the holder of succession certificate or other legal representative as having title to the Debentures.

The Company shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction in this regard. The Company may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the deceased Debentureholder on production of sufficient documentary proof or indemnity.

Where a NRI becomes entitled to the Debentureholder by way of succession, the following steps have to be complied with:

- (a) Documentary evidence to be submitted to the legacy cell of the RBI to the effect that the Debenture was acquired by the NRI as part of the legacy left by the deceased holder.
- (b) Proof that the NRI is an Indian national or is of Indian origin.

Such holding by the NRI will be on a non-repatriation basis.

Who Can Apply

Nothing in this Disclosure Document shall constitute and/ or deem to constitute an offer or an invitation to an offer, to be made to the Indian public or any section thereof through this Disclosure Document, and this Disclosure Document and its contents should not be construed to be a 'prospectus' under the Companies Act.

This Disclosure Document and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Company and only such recipients are eligible to apply for the Debentures. The categories of investors eligible to invest in the Debentures, when addressed directly, include:

- Industrial Finance Corporation of India,
- a State Financial Corporation, Shipping Development Fund Committee,
- Unit Trust of India, Industrial Development Bank of India,
- an Electricity Board constituted under the Electricity (Supply) Act, 1948,
- the Life Insurance Corporation of India,
- Rehabilitation Industries Corporation of India Limited,
- State Trading Corporation of India Limited,

- Minerals and Metals Trading Corporation of India Limited,
- Rural Electrification Corporation Limited,
- Agricultural Finance Corporation Limited,
- Industrial Reconstruction Corporation of India Limited,
- Industrial Credit and Investment Corporation of India Limited,
- National Industrial Development Corporation of India Limited,
- Tamil Nadu Industrial and Investment Corporation Limited,
- State Industrial and Investment Corporation of Maharashtra Limited,
- General Insurance Corporation of India (and its subsidiaries, namely, the National Insurance Company Limited, the New India Assurance Company Limited, the Oriental Fire and General Insurance Company Limited and the United Fire and General Insurance Company Limited),
- Gujarat Industrial Investment Corporation Limited,
- any financial company wholly owned by the Central Government or State Government,
- Oil Industry Development Board,
- Housing Development Finance Corporation Limited,
- Banking company,
- any other financial company (being non-banking company which is a financial institution under Section 45-I(c) of the Reserve Bank of India Act, 1934, as amended) or public financial institutions which may be notified by the GoI in this behalf in consultation with the RBI
- any company, including insurance companies, incorporated under the Companies Act, subject to compliance with applicable laws.

Furthermore, NRIs, OCBs, FIIs and other persons resident outside India are not eligible to apply for or hold the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

Documents to be provided by investors

Investors need to submit the following documentation, along with the Application Form, as applicable.

- Memorandum and Articles of Association / documents governing their constitution;
- Resolution passed by the shareholders/ board of directors, as applicable, authorising the investment;
- Certified true copy of a power of attorney;
- 'Form 15 AA' for investors seeking exemption from tax deductible at source from interest on the application money;
- Specimen signatures of the authorised signatories duly certified by an appropriate authority;
- Registration certificate issued by SEBI, in case of Mutual Funds;
- Certified copy of PAN card; and
- Bank / demat account number.

Force Majeure

The Company reserves the right to withdraw this Issue prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and regulatory environment. Further, the Company reserves its sole and absolute right to revise the Issue Opening/ Closing/ Pay-In Date(s) without giving any reasons or prior notice. In such a case, investors shall be intimated about the revised time schedule by Company.

Submission of completed Application Forms

Applications duly completed and accompanied by cheque/ demand draft must be lodged before the closure of

this Issue with Sole Arranger who shall forward the same to the Company.

Acknowledgements

No separate receipts will be issued for the application money. However, the Collecting Banker receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the 'acknowledgement slip' at the bottom of each Application Form.

Application by Mutual Funds

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI.

Right to Accept or Reject Applications

The Company reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. Interest on application money will be paid from the date of realisation of the cheque(s)/ demand drafts(s) till one day prior to the date of refund. The Application Forms that are not complete in all respects and are varying with the commitment letter are liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- (a) Number of Debentures applied for is less than the minimum application size;
- (b) The Company's account details not given;
- (c) Details for Issue of Debentures in dematerialised form not given;
- (d) PAN/GIR and IT Circle/Ward/District not given;
- (e) In case of applications under power of attorney by limited companies, corporate bodies etc. relevant documents not submitted; and
- (f) Variation to the commitment letter, if any.

PAN/GIR Number

All applicants should mention their PAN or the GIR number allotted under IT Act and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

Signatures

Signatures should be made in English and in any of the Indian Languages. Thumb impressions must be attested by a magistrate/ notary public under his/her official seal.

Debenture Redemption Reserve

In accordance with a clarification issued by the Department of Company Affairs, Government of India pursuant to its circular (bearing reference no. 6/3/2001-CL.V) dated April 18, 2002, for manufacturing and infrastructure companies, the adequacy of 'Debenture Redemption Reserve' is defined at 25% of the value of debentures issued on a private placement basis. In terms of extant provisions of Companies Act, the Company is required to create a Debenture Redemption Reserve out of profits, if any, earned by the Company. Further, the Company has also appointed the Trustees to protect the interest of the investors.

Tax Benefits to the Debentureholders

The Debentureholders are advised to consider in their own case, the tax implications in respect of subscription to the Debentures after consulting their own tax advisor/ counsel.

Governing Laws and Jurisdiction

The Debentures are governed by and will be construed in accordance with the Indian law. The Company's obligations under the Debentures shall, at all times, be subject to the directions of the RBI and the SEBI. The

Debentureholders, by purchasing the Debentures, agree that the courts of Delhi shall have exclusive jurisdiction with respect to matters relating to the Debentures.

Splitting and Consolidation

As the saleable lot of the Debentures is one, splitting and consolidation of the Debentures is not applicable in the dematerialised mode.

Power of Company to exercise right to re-purchase and/or re-issue the Debentures

The Company will have the power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its Debentures from the secondary markets or otherwise, at any time prior to the Maturity Date, subject to applicable law and in accordance with the prevailing guidelines/ regulations issued by the RBI, the SEBI and other authorities. In the event a part or all of its Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Company shall have, and shall be deemed always to have had, the power to reissue the Debentures either by reissuing the same Debentures or by issuing other debentures in their place. Further, in respect of such re-purchased/re-deemed debentures, the Company shall have the power, exercisable either for a part or all of those debentures, to cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as permitted by law.

Eligible Holders and Mode of Transfer

The Company will not register any transfers of the Debentures to any NRIs, OCBs, FIIs, or any persons resident outside India, unless appropriate regulatory approvals are obtained. The Company shall not be duty bound to take interest or trust in or over the Debentures. These Debentures are restricted in their transferability to investors other than such entities provided in Rule 2(b)(iii) of the Companies (Acceptance of Deposits) Rules, 1975, as amended, and companies incorporated under the Companies Act, subject to compliance with applicable laws.

The title to Debentures shall pass by execution of duly stamped transfer deed(s) accompanied by the Debenture certificate(s) together with necessary supporting documents. The transferee(s) should deliver the Debenture certificates to the Company for registration of transfer in the Register of Debentureholders at the Corporate Office/ Registered Office. The Company on being satisfied to this effect, will register the transfer of such Debentures in its Register of Debentureholders. The person whose name is recorded in the Register of Debentureholders shall be deemed to be the owner of the Debentures.

Request for registration of transfer, along with the necessary documents, and all other communications, requests, queries and clarifications with respect to the Debentures should be addressed to and sent to the Corporate Office/ Registered Office. No correspondence shall be entertained in this regard at any other branches or any of the offices of the Company. In the event the Debentures are issued in physical form, the Company shall use a common form of transfer.

The request from Registered Debentureholder(s) for splitting/ consolidation of Debenture certificates will be accepted by the Company only if the original Debentures certificate(s) is/ are enclosed along with an acceptable letter of request.

No requests for splits below the market lot will be entertained. Transfer of debentures in dematerialised form would be in accordance to the rules/procedures as prescribed by the Depositories.

Notices

The Company agrees to send notice of all meetings of the Debentureholders specifically stating that the provisions for appointment of proxy as mentioned in Section 176 of the Companies Act shall be applicable for such meeting. The notices, communications and writings to the Debentureholder(s) required to be given by the Company shall be deemed to have been given if sent either by ordinary post, registered post or courier to the Registered Debentureholder(s) at the address of the Debentureholder(s) registered with the Corporate Office/ Registered Office.

All notices, communications and writings to be given by the Debentureholder(s) shall be sent by registered post or by hand delivery to the Company at its Registered Office or to such persons at such address as may be notified by the Company from time to time and shall be deemed to have been received on actual receipt of the same.

Rights of Debentureholders

The Debentureholder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Companies Act. The Debentures shall not confer upon the holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Company.

Modifications of Rights

The rights, privileges, terms and conditions attached to all Debentures may be varied, modified or abrogated with the consent, in writing, of those Debentureholders who hold at least three-fourths of the outstanding amount of Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debentureholders, carried by a majority consisting of not less than three-fourths of the persons voting there upon a show of hands or, if a poll is demanded by a majority representing not less than three-fourths in value of the votes cast on such poll, provided that nothing in such consent or resolution shall be operative against the Company if the same are not accepted in writing by the Company.

Future Borrowings

The Company shall be entitled, from time to time, to make further issue of Debentures, other debt securities (whether *pari passu* or junior to the Debentures) and other instruments and securities to any person or persons including to the public or a section of the public and/or members of the Company and/or to raise further loans, advances and/or avail further financial and/or guarantee facilities from financial institutions, banks and/or any other person(s) without any further approval from or notice to the Debentureholders/ Trustees.

Dispatch of Refund Orders

The Company shall ensure dispatch of refund orders of value over Rs. 1,500 and Debenture certificates by registered post.

Procedure and Time of Schedule for Allotment and Issue of Certificates

Debentures would be allotted by such persons as are authorized by the Board of Directors from time to time. The Company will execute and dispatch/ credit to the DP account of the allottee, in favour of the allottees or refund letter along with refund amount by the Date of Allotment.

After completion of all legal formalities, the Company will credit the DP account of the allottees within three days of Deemed Date of Allotment or such extended period, subject to obtaining the approvals, if any.

Loss of Interest Cheques/ Refund Cheques

Loss of interest cheques/ refund cheques should be intimated to the Company along with request for duplicate issue. The issue of duplicates in this regard shall be governed by applicable law and any other conditions as may be prescribed by the Company.

DISCOUNT ON THE OFFER PRICE

The Debentures are being issued at face value and not at a discount.

DEBT EQUITY RATIO

Particulars	(Rs. in Lacs)	
	Pre-Issue (Audited as on March 31, 2012) (Rs. In Lacs)	Post Issue of present Debentures of Rs. [] crs (@)*
Long Term Debt:		
Secured and Unsecured (Other than working capital loans from banks)	96867.37	106867.37
Total Debt	96867.37	106867.37
Shareholders' Fund		
Share Capital (*)	5524.58	5524.58
Reserve & Surplus (excluding Revaluation Reserve)	349313.43	349313.43
Net Worth	354838.01	354838.01
Long Term Debt/ Net Worth	0.273	0.301

SERVICING BEHAVIOUR ON EXISTING DEBT SECURITIES AND OTHER BORROWINGS

The Company hereby confirms that:

- It has been servicing all its principal and interest liabilities on time and there has been no instance of delay or default since inception; and
- It has neither defaulted in repayment/ redemption of any of its borrowings nor affected any kind of roll over against any of its borrowings.

PERMISSIONS/CONSENT FROM PRIOR CREDITORS

The Company hereby confirms that it is entitled to raise monies through this Issue without the consent/ permission/ approval from the Debentureholders, Trustees, its lenders and other creditors.

CREDIT RATING

The Company has received a rating of: 'AA-' from CARE

OTHER REGULATORY AND STATUTORY DISCLOSURES

Listing

The Debentures are proposed to be listed on the wholesale debt market segment of the NSE. The NSE has given its 'in-principle' approval to list the Debentures. In case the Company is unable to list these Debentures, the entire subscription amount, including the application money, shall be refunded to the Debentureholders along with interest at the applicable coupon rate.

The Company shall comply with the requirements of the listing agreement to the extent applicable to it on a continuous basis and shall complete all formalities relating to listing of the Debentures.

It is hereby declared that the Company has exercised due-diligence to ensure complete compliance of prescribed disclosure norms in this Disclosure Document. The role of the Sole Arranger in the assignment is confined to marketing and placement of the Debentures on the basis of this Disclosure Document as prepared by the Company.

Issue of Debentures in Dematerialised Form

The Debentures will be issued in dematerialized form. The Company has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Depository Participant's name, DP-ID and beneficiary account number must be mentioned at the appropriate place in the Application Form. The Company shall take necessary steps to credit the Debentures allotted to the depository account of the investor.

The Company will make the Allotment to investors on the Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money. The Allotted Debentures at the first instance will be credited in dematerialised form on LOA ISIN within two days of the Date of Allotment.

Transferability of Debentures

These Debentures are restricted in their transferability to investors other than such entities provided in Rule 2(b)(iii) of the Companies (Acceptance of Deposits) Rules, 1975, as amended, and companies incorporated under the Companies Act, subject to compliance with applicable laws. In the event the Debentures are issued in physical form, the Company shall use a common form of transfer.

Trading of Debentures over the counter

In the event the Debentures are traded over the counter, such trading shall be reported on the Stock Exchange.

Consents

Axis Trustees Services Limited has given its written consent for its appointment as Trustees to this Issue under Regulation 4(4) of the SEBI Regulations and inclusion of its name in the form and context in which it appears in this Disclosure Document.

Stock Exchange where the Debentures are proposed to be listed

The Debentures are proposed to be listed on the 'wholesale debt market' segment of the NSE. The Company has obtained an in-principle approval from the NSE for listing of said Debentures on its 'wholesale debt market' segment. The Company shall make an application to the NSE to list the Debentures to be issued and Allotted pursuant to this Disclosure Document and complete all the formalities relating to listing of the Debentures within 30 days from the date of closure of this Issue.

In relation to listing of Debentures with NSE, the Company hereby undertakes that:

- It shall comply with conditions of listing of Debentures as may be specified in the listing agreement with NSE.

- Ratings obtained by the Company shall be periodically reviewed by the credit rating agencies and any revision in the rating shall be promptly disclosed by the Company to NSE.
- Any change in the rating shall be promptly disseminated to the Debentureholders in such manner as NSE may determine from time to time.
- The Trustees shall disclose the information to the Debentureholders and the general public by issuing a press release in any of the following events:
 - Default by the Company to pay interest on Debentures or redemption amount; and
 - Revision of rating assigned to the Debentures.

This information shall also be placed on the websites of the Trustees, the Company and NSE.

- The Company, the Trustees and NSE shall disseminate all information and reports on the Debentures including compliance reports filed by the Company and the Trustees regarding the Debentures to the Debentureholders and the general public by placing them on their websites.

The Company undertakes that it shall use a common form/ procedure for transfer of Debentures issued under terms of this Disclosure Document.

SUMMARY TERM SHEET

Issuer	Jindal Saw Limited
Instrument	Secured, Rated, Listed, Non-convertible redeemable debentures
Rating	“CARE AA-” by CARE
Total Issue Size	Rs. 100 Crores
Face Value (Each series)	Rs. 10,00,000
Issue Amount per series	Series 1 : Rs. 30 Crs. Series 2 : Rs. 30 Crs, Series 3 : Rs. 40 Crs,
Issue Price	At par, being Rs. 10,00,000
Mode of Issuance	Dematerialised
Minimum Subscription	10 Debentures of Rs 10,00,000 each and in multiples of 1 thereafter
Tenure/Redemption	Series 1 : 6 Years from the deemed date of allotment Series 2 : 7 Years from the deemed date of allotment Series 3 : 8 Years from the deemed date of allotment
Call Option	- At the end of 3 years from the deemed date of allotment for each of the Series 1, Series 2 & Series 3 Debentures Subsequently: - At the end of each of 4 th & 5 th years from the deemed date of allotment for Series 1 Debentures - At the end of each of 4 th , 5 th & 6 th years from the deemed date of allotment for Series 2 Debentures - At the end of each of 4 th , 5 th , 6 th & 7 th years from the deemed date of allotment for Series 3 Debentures
Put Option	None
Credit Rating	‘CARE AA-’ by CARE
Coupon	Series 1 : 10.50% p.a. Series 2 : 10.50% p.a. Series 3 : 10.50% p.a.
Call option record date	15 calendar days prior to the call option exercise date
Call option notice period	Issuer to provide notice of 10 calendar days before the actual exercise date for exercising the call option on any of the Series 1, Series 2 & Series 3 debentures. Communication for the same needs to be provided in writing to all Investors holding the NCDs as per the List of NCD holders provided by the RTA on record date
Interest Payment	Annual, rear ended. To be paid on an Actual/Actual day basis
Issue Opening Date[^]	7 th September, 2012
Issue Closing Date[^]	7 th September, 2012
Pay-in Date[^]	7 th September, 2012
Deemed Date of Allotment[^]	12 th September, 2012
Redemption Date	Series 1: At the end of 6 years from the deemed date of allotment Series 2: At the end of 7 years from the deemed date of allotment Series 3: At the end of 8 years from the deemed date of allotment
Purpose	Towards ongoing capital expenditure, refinancing of existing debt and long term working capital
Security	First Pari-Passu charge on the present and future fixed assets of the company, ensuring a minimum cover of 1.25 times of the debenture issue amount, at all times
Listing	Proposed on the wholesale debt market segment of the NSE.

Trustee	Axis Trustee Services Ltd.
Issuance Format	The Debentures/ Letters of Allotment shall be issued by the Company in dematerialized form within three Working Days from the Deemed Date of Allotment.
Depositories	NSDL and CDSL
Registrars	RCMC Share Registry (P) Ltd.
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system / e-banking.
Mode of Subscription	Cheque(s)/ demand draft(s) may be drawn in favour of "Jindal Saw Limited" and crossed "Account Payee Only" payable at par at designated centers mentioned elsewhere in this Disclosure Document or remittance through RTGS as per details given in application form.
Record Date	15 calendar days prior to each interest payment and/ or principal repayment date. The same record date to be applicable for determining Debenture Holders for sending notice of exercise of call option.
Shut Period	The debentures will be shut for trading starting from the record date upto one day after the interest payment is made.(Every year)
Computation of Interest	Interest payable on the Debentures will be calculated on the basis of actual number of days elapsed in a year of 365 or 366 Days as the case may be.

CREDIT RATING & RATIONALE THEREOF

Credit Analysis and Research Limited (“**CARE**”) has assigned a rating of “CARE AA-” (pronounced as “Double A Minus”) for the present issue of Debentures by the Company. Instruments carrying this rating are judged to be of the best credit quality, offering highest safety for timely servicing of debt obligations, carrying minimal credit risk. A copy of rating letter from CARE and rationale thereof is enclosed elsewhere in this Disclosure Document.

Other than the credit rating mentioned hereinabove, the Company has not obtained any other credit rating from any other credit rating agency(ies) for the Debentures offered for subscription under the terms of this Disclosure Document.

The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

DEBENTURE TRUSTEE AND TRUST DEED

In accordance with the provisions of Section 117B of the Companies Act and Debenture Trustees Regulations, the Company has appointed Axis Trustees Services Limited to act as trustees (“Trustees”) for and on behalf of the Debentureholders. The address and contact details of the Trustees are as under:

Axis Trustees Services Limited

Maker Towers F Wing,
Central Office, 2nd Floor,
Bombay Dyeing Mill Compound,
Pandurang Budhkar Marg,
Worli, Mumbai - 400 025
Tel:+91 22 2425 5226(D)
Fax: +91 22

Email: neelesh.baheti@axisbank.com

Website: www.axisbank.com

Contact Person: Mr. Neelash Baheti

A copy of letter from Axis Trustees Services Limited conveying their consent to act as Trustee is enclosed elsewhere in this Disclosure Document.

The Company hereby undertakes that a trust deed shall be executed by it in favour of the Trustees within three months of the closure of this Issue. The trust deed shall contain such clauses as may be prescribed under Section 117A of the Companies Act and those mentioned in Schedule IV of the Debenture Trustees Regulations. Further the trust deed shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Trustees or the Company in relation to any rights or interests of the Debentureholders, (ii) limiting or restricting or waiving the provisions of the SEBI Act, the SEBI Regulations and circulars or guidelines issued by SEBI, and (iii) indemnifying the Trustees or the Company for loss or damage caused by their act of negligence or commission or omission.

The Debentureholders shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Trustees may in their absolute discretion deem necessary or require to be done in the interest of the Debentureholders. Any payment made by the Company to the Trustees on behalf of the Debentureholders shall discharge the Company *pro tanto* to the Debentureholders. The Trustees shall protect the interest of the Debentureholders in the event of default by the Company in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Company. No Debentureholders shall be entitled to proceed directly against the Company unless the Trustees, having become so bound to proceed, fail to do so. In the event of the Company defaulting in payment of interest on Debentures or redemption thereof, any distribution of dividend by the Company shall require approval of the Trustees.

The Trustees shall ensure disclosure of all material events on an on-going basis. The Trustees shall duly intimate the Debentureholders and the general public by issuing a press release on occurrence of any of the following events:

- (a) Default by the Company to pay interest on the Debentures or redemption amount; and
- (b) Revision of credit rating assigned to the Debentures.

Such information shall also be placed on the websites of the Trustees, the Company and the Stock Exchange.

DECLARATION

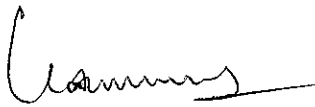
It is hereby declared that this Disclosure Document contains full disclosures in accordance with the SEBI Regulations.

The Company also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. This Disclosure Document also does not contain any false or misleading statement.

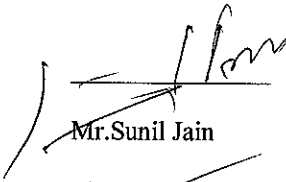
The Company accepts no responsibility for the statement made otherwise than in this Disclosure Document or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.

Signed pursuant to the authority granted by Board of Directors of the Company at its meeting held on July 27, 2012.

For Jindal Saw Limited



Mr. Vinay Gupta



Mr. Sunil Jain

Place: New Delhi
Date: Sep 07, 2012

UNDERTAKINGS BY THE COMPANY

The Company undertakes that:

- It will provide a compliance certificate duly certified by the Trustees to the Debentureholders, (on a yearly basis), in respect of compliance with the terms and conditions of Issue as contained in this Disclosure Document;
- Every credit rating obtained shall be periodically reviewed by the Credit Rating Agency and any revision in the rating shall be promptly disclosed by the Company to the Stock Exchange. Any change in rating shall be promptly disseminated to Debentureholders and prospective investors in such manner as the Stock Exchange may determine from time to time;
- All information and reports on the Debentures, including compliance reports filed by the Company and the Trustees, shall be disseminated to the Debentureholders and the general public by placing them on the website of the Company and shall through the Trust Deed, request the Trustees to place the same on its website; and
- This Disclosure Document is compliant with all disclosures required to be made for listing of non-convertible debentures on a private placement basis on a recognized stock exchange, as specified in the SEBI Regulations.

Further, in addition to complying with all appropriate Indian laws and regulations pertaining to environmental and social issues, the Company, to the best of its knowledge, is currently in compliance with all environmental and social obligations applicable to it pursuant to its existing credit facilities, loan arrangements, corporate environmental policies, and any regulatory requirements. Such obligations include, but are not limited to, compliance with environmental laws, maintaining environmental licenses, absence of environmental contamination and environmental claims, managing environmental and social risks, and taking such steps as may be required to ensure compliance with various applicable frameworks.

ANNEXURE A

RATING LETTER AND RATIONALE RECEIVED FROM THE CREDIT RATING AGENCY



Mr. Vinay Gupta
Senior Vice President (Finance)
Jindal SAW Ltd
Jindal Centre, 12, Bhikaiji Cama Place,
New Delhi – 110 066

CREDIT ANALYSIS &
RESEARCH LTD.

B-47, 3rd Floor, Inner Circle
Connaught Place New Delhi-110001
Tel. : + 91 11 45333200, 23716199
Fax : + 91 11 45333238, 23318701
Website : www.careratings.com

August 27, 2012

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debentures (NCD-II) issue of
Rs.100cr

Please refer to your request for rating of proposed long-term non-convertible debenture (NCD-II) issue aggregating to Rs.100cr of your company.

2. Our Rating Committee has assigned a 'CARE AA-' [Double A Minus] rating to the aforesaid NCD issue. Instruments with this rating are considered to have the high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Our rating symbols for various medium and long term instruments (including NCDs) are annexed. The rationale for the rating will be communicated to you separately.
3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **six months** from the date of our initial communication of rating to you (that is August 13, 2012).
4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Please inform us the details of issue [date of issue, name of investor, amount issued, interest-rate, date of payment of interest, date and amount of repayment etc.] as soon as the NCDs have been placed.
6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
7. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.



8. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate such suspension/withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.
9. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
10. CARE ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,
Yours faithfully,

A handwritten signature in blue ink, appearing to read "Sudhir".

[Sudhir Kumar]
Senior Manager

A handwritten signature in blue ink, appearing to read "Ajay Dhaka".

[Ajay Dhaka]
Manager

Encl : As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

"Credit Analysis and Research Limited proposes, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares and has filed a draft red herring prospectus ("DRHP") with the Securities and Exchange Board of India (the "SEBI"). The DRHP is available on the website of SEBI at www.sebi.gov.in as well as on the websites of the Book Running Lead Managers at www.investmentbank.kotak.com, www.dspml.com, www.edelcap.com, www.icicisecurities.com, www.idbicapital.com, and www.sbcaps.com. Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled "Risk Factors" of the DRHP."

["This press release is not for publication or distribution to persons in the United States, and is not an offer for sale within the United States of any equity shares or any other security of Credit Analysis and Research Limited. Securities of Credit Analysis and Research Limited, including its equity shares, may not be offered or sold in the United States absent registration under U.S. securities laws or unless exempt from registration under such laws.



Annexure

A. Rating Symbols and Definitions for Long /Medium Term Debt Instruments –

Symbols	Rating Definition
CARE AAA	Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.
CARE AA	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
CARE A	Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.
CARE BBB	Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.
CARE BB	Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations.
CARE B	Instruments with this rating are considered to have high risk of default regarding timely servicing of financial obligations.
CARE C	Instruments with this rating are considered to have very high risk of default regarding timely servicing of financial obligations.
CARE D	Instruments with this rating are in default or are expected to be in default soon.

Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories CARE AA to CARE C. The modifiers reflect the comparative standing within the category.



**CREDIT ANALYSIS &
RESEARCH LTD.**

B-47, 3rd Floor, Inner Circle, Connaught Place
New Delhi-110001, Ph.: 45333200, 23318701
23716199, Fax.: 45333238
Website : www.careratings.com

Mr. Vinay Gupta
Senior Vice President (Finance)
Jindal SAW Ltd
Jindal Centre, 12, Bhikaiji Cama Place,
New Delhi – 110 066

August 27, 2012

Dear Sir,

Credit rating of various debt facilities/instruments

Please refer to our letters dated August 13, 2012 and August 27, 2012 on the above subject.

2. The rationale for the rating(s) is attached as an **Annexure - I**. Kindly note that the rationale would be published in the forthcoming issue of our quarterly journal, 'CAREVIEW'.
3. A write-up on the above rating is proposed to be issued to the press shortly. A draft of the press release is enclosed for your perusal as **Annexure - II**.
4. We request you to peruse the Rationale and Press Release and offer your comments, if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by August 28, 2012, we will proceed on the basis that you have no comments to offer.

If you have any further clarifications, you are welcome to approach us.

Thanking you,

Yours faithfully,

[Sudhir Kumar]
Senior Manager

[Ajay Dhaka]
Manager

Encl: As above



Annexure-I

Rating Rationale

Jindal Saw Limited (JSL)

Ratings

Facilities/Instruments	Amount (Rs.cr)	Ratings ¹	Remarks
Long-term Bank Facilities	1,327.48 (Reduced from Rs. 1,360.82)	CARE AA- (Double A Minus)	Revised from CARE AA
Non Convertible Debentures (NCD-I)	300	CARE AA- (Double A Minus)	Revised from CARE AA
Proposed Non Convertible Debentures (NCD-II)	100	CARE AA- (Double A Minus)	Assigned
Proposed Non Convertible Debentures (NCD-III)	300	CARE AA- (Double A Minus)	Assigned
Short-term Debt (Including Commercial Papers)/Non Convertible Debentures	125	CARE A1+ (A One Plus)	Reaffirmed

Rating Rationale

The revision in the long-term rating takes into account the moderation in the financial risk profile of JSL characterized by decline in its profitability margins owing to rising input costs coupled with competitive industry scenario and increase in leverage ratios. The ratings continue to factor in JSL's dominant position in steel pipes segment in India, healthy order book position and its diversified product range. Furthermore, the ratings favourably consider JSL's moderate debt coverage indicators, the company's comfortable liquidity position, benefits expected to be received from backward integration initiatives and the strategic foray in the European market. The ratings also take cognisance of JSL's settlement of outstanding derivative contracts, significant commitments towards subsidiaries and risks associated with the various expansion projects under execution.

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¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.



Going forward, JSL's ability to complete the ongoing projects within time & cost estimates and the impact of the company's commitments towards subsidiaries on its credit profile would be the key rating sensitivities.

Background

JSL, part of OP Jindal group, was incorporated in 1984 as SAW Pipes Ltd. The company got its present name in February 2005. The major products of JSL include longitudinal Submerged Arc Welded (SAW) pipes, spiral SAW pipes, Ductile Iron (DI) pipes, seamless pipes, pig iron etc.. The company has four manufacturing facilities at Kosi Kalan (UP), Mundra (Gujarat), Nashik (Maharashtra) and Bellary, (Karnataka) respectively. One of the two plants in Mundra is a 100% Export Oriented Unit (EOU). JSL has an installed capacity of 1.1 MTPA, 0.74 MTPA, 0.22 MTPA and 0.2 MTPA for manufacturing of L-SAW pipes, H-SAW pipes, seamless pipes and DI pipes respectively. It also has waste heat recovery based captive power generation capacity of 30 MW in Mundra. Further, JSL also has a 7.5 MW wind mill in Gujarat.

Credit Risk Assessment

Strong promoter group and dominant position in iron and steel pipes industry

JSL is an OP Jindal group company with a rich business vintage of over 28 years. The company's business operations are structured with three strategic business units (SBUs) viz SAW pipes, seamless pipes and DI pipes. It enjoys a dominant position in longitudinal and helical SAW steel pipe segment owing to large capacities and established domestic and international clientele. JSL's product portfolio is strengthened by its presence across all segments of the pipe industry as it manufactures ductile iron pipes, seamless pipes, spiral saw pipes, anti-corrosion coated pipes, hot-pulled induction bends and connector casings. The products manufactured by JSL find application in transportation and exploration of oil & gas, transportation of fluids and in various infrastructure projects.

Healthy order book position

As on June 30, 2012, JSL had a healthy order book of USD 680 million (~Rs.3,740cr which comprised USD 460 million in SAW pipe segment, USD 190 million in DI pipe segment and USD 30 million in seamless pipes segment). Out of the total order book,



around 65% of the orders are from the export market and emanate from Middle East, South East Asia, China and Far East. The said order book is slated to be executed by December 2012.

Backward integration initiatives to boost profitability in DI pipe segment

JSL had executed a 30 years mines lease agreement with Govt. of Rajasthan in relation to low grade iron ore mine in Bhilwara district of Rajasthan with reserves of ~180 million tons. The company has set-up the necessary infrastructure for the development of the mine including a beneficiation plant at a total cost of ~Rs.150cr. The beneficiation plant has started the trial run from July 2012 and is likely to commence commercial production from August 2012. The captive availability of iron ore would reduce the outside sourcing and is expected to enhance the profitability of the company in the DI pipe segment.

Subdued financial performance during FY12 and Q1FY13

JSL's financial performance remained subdued during FY12 (refers to the period April to March). Although the company registered a growth of 24.21% in its total operating income, the profitability remained under pressure. Its PBILDT margins declined by 725 bps on yoy basis to 13.19% during FY12 attributable to high input costs coupled with competitive industry scenario. However, the adverse impact of high input costs was partially off-set by 12.38% increase in blended realizations. The lower operational profitability and exceptional item of Rs.141cr (forex losses) impacted the PAT margin also which declined by 662 bps to 4.31% during FY12. As per the provisional results of Q1FY13 (refers to the period April to June), JSL has reported a total operating income of Rs.1,290cr with PBILDT and PAT of Rs.160cr and Rs.35cr respectively. The PBILDT and PAT margin of the company stood at 12.42% and 2.71% respectively during Q1FY13.

Deterioration in capital structure though gearing continues to remain moderate

JSL's debt to equity ratio and overall gearing (including acceptances and creditor on LCs) deteriorated from 0.11x and 0.40x as on March 31, 2011 to 0.27x and 0.79x as on March 31, 2012 respectively. The same was largely attributable to net adjustment of Rs.459cr related to MTM losses against networth in accordance with the provision of AS 30. The company had outstanding MTM losses of ~Rs.650cr on various derivative contracts at the beginning of FY12. As conveyed by the management as on August 09,



2012, all the derivative contracts have been settled and MTM losses have been duly paid by the company.

Furthermore, JSL demerged its investment undertaking in Hexa Tradex Ltd and consequently made an adjustment of Rs.218cr in its reserves. The increase in term debt (largely availed for capex requirements) and increase in the working capital borrowings also contributed to increase in gearing. The higher working capital borrowings (including buyer's credit) were largely attributable to increase in the operating cycle from 176 days in FY11 to 204 in FY12. Consequently, the company's term debt to gross cash accruals (GCA) and total debt to GCA ratios also deteriorated to from 0.71x and 2.62x during FY11 to 1.63x and 4.11x respectively during FY12.

Significant commitment towards subsidiaries

JSL through its subsidiary Jindal ITF Ltd (JITF) has ventured into businesses like water and waste water management, urban waste management, coastal and inland water transport and rail wagon manufacturing. These projects are being implemented by various subsidiaries of Jindal ITF Ltd (JITF). Apart from this JITF is also implementing a coal transportation project for NTPC Ltd. JSL has invested Rs.519cr (including share application money of Rs.50cr) in JITF till March 31, 2012. The company has also made investment of Rs.85cr in Jindal Saw Holdings FZE which is executing a DI pipe facility in Middle East. JSL's incremental commitments towards its subsidiaries stand at Rs.672cr (including conversion of CCDs issued by JITF) which is estimated to be invested over the next 6 years.

Also, JSL has provided put right for payment of interest and principal repayments of NCDs aggregating Rs.160cr issued by JITF during FY13. This apart, JSL has provided letter of comfort/undertaking for debt facilities availed by JITF (only w.r.t. floating infrastructure of NTPC Project) and Timarpur Okhla Waste Management Company Private Ltd. Furthermore, the company's incremental commitments towards its subsidiaries may increase in case of time and cost overrun of the various projects being implemented by the subsidiaries. At the same time, successful commissioning of various projects in the subsidiaries coupled with any turnaround in their operations would improve the cash flows at the consolidated level.



JSL's foray in European market for DI pipes

In August 2011, JSL executed a Business Lease Agreement with Sertubi SPA, Italy to operate their DI pipe manufacturing plant in Trieste, Italy. The plant has a capacity to produce 100,000 MTPA of DI pipes and has approvals of majority of European countries for supply of DI pipes. Jindal Saw shall be allowed to use all approvals and brand for operations of the facility. The agreement is initially valid for a period of 5 years and extendable for additional 5 years. The same is expected to strengthen the company's presence in European region going forward.

Risks related to projects under implementation

JSL is currently implementing a DI pipe plant at Mundra, an iron ore beneficiation and a pellet plants at Rajasthan and a new seamless product line at Nashik. The company is also setting-up a spiral pipe plant at Kosi and a coating plant at Mundra. The aggregate cost of these projects stands at Rs.1,115cr out of which Rs.643 has already been incurred upto March 31, 2012. JSL does not fund the debt requirements of its projects through project financing route and raises the funds at the entity level.

The iron ore beneficiation plant has already started trial run whereas the pellet plant is likely to get operation by Q1FY14. The DI pipe facility in Mundra is estimated to get commissioned by October 2012 whereas the spiral pipe plant (Kosi) and new seamless product line at Nashik is expected to become operational by December 2012. The ongoing projects of JSL expose the company to project execution related risks. However, such risks are mitigated to some extent by the company's track record in execution of projects.

Prospects

The iron and steel pipe industry is currently facing the problems of rising input costs, over capacities, slowing demand and intense competition. Going forward, the prospects for JSL would depend upon its ability to register improvement in the profitability margins while overcoming these problems. The company derives more than 50% of its revenues from exports and its strategic initiatives to strengthen the presence in Middle-east and European region are likely to provide it competitive advantages in the medium to long-term. Furthermore, the completion of the ongoing projects within the envisaged time and costs would also remain crucial going forward.



Financials

Rs.cr

<i>Y.E. Mar.31,</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>
	<i>(12m, A)</i>	<i>(15m, A)</i>	<i>(12m, A)</i>
Working Results			
Total Op Income	6,823	4,222	5,244
PBILDT	1,301	863	692
Interest	243	151	114
Depreciation	131	137	150
PBT	975	603	325
PAT (After def Tax)	730	462	226
Gross Cash Accruals	936	639	613
Financial Position			
Equity Share capital	55	55	55
Net Worth	3,722	4,236	3,642
Total Debt	837	1,612	2,517
Key Ratios			
Profitability (%)			
PBILDT / Total OI	19.07	20.44	13.19
APAT / Total OI	10.70	10.93	4.31
ROCE	21.97	14.52	7.08
RONW	18.55	11.60	5.74
Solvency(times)			
Debt Equity Ratio	0.16	0.11	0.27
Overall Gearing (Including Acceptances / Creditors on LC)	0.33	0.40	0.79
Overall Gearing (Excluding Acceptances / Creditors on LC)	0.22	0.38	0.69
Interest coverage (Times)	5.73	5.72	6.07
Term Debt/GCA	0.65	0.71	1.63
Total Debt/GCA	1.31	2.62	4.11
Liquidity (times)			
Current ratio	2.56	1.47	1.33
Quick ratio	1.87	0.83	0.72
Avg. Collection Period (days)	65	88	89
Avg. Inventory (days)	106	138	145
Avg. Creditors (days)	71	51	30
Op. cycle (days)	100	176	204



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Annexure-II

Press Release

CARE revises the long-term ratings assigned to the Bank Facilities/Instruments of Jindal Saw Limited (JSL)

Ratings

Facilities/Instruments	Amount (Rs.cr)	Ratings ¹	Remarks
Long-term Bank Facilities	1,327.48 (Reduced from Rs. 1,360.82)	CARE AA- (Double A Minus)	Revised from CARE AA
Non Convertible Debentures (NCD-I)	300	CARE AA- (Double A Minus)	Revised from CARE AA
Proposed Non Convertible Debentures (NCD-II)	100	CARE AA- (Double A Minus)	Assigned
Proposed Non Convertible Debentures (NCD-III)	300	CARE AA- (Double A Minus)	Assigned
Short-term Debt (Including Commercial Papers)/Non Convertible Debentures	125	CARE A1+ (A One Plus)	Reaffirmed

Rating Rationale

The revision in the long-term rating takes into account the moderation in the financial risk profile of JSL characterized by decline in its profitability margins owing to rising input costs coupled with competitive industry scenario and increase in leverage ratios. The ratings continue to factor in JSL's dominant position in steel pipes segment in India, healthy order book position and its diversified product range. Furthermore, the ratings favourably consider JSL's moderate debt coverage indicators, the company's comfortable liquidity position, benefits expected to be received from backward integration initiatives and the strategic foray in the European market. The ratings also take cognisance of JSL's settlement of outstanding derivative contracts, significant commitments towards subsidiaries and risks associated with the various expansion projects under execution.

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¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.



Going forward, JSL's ability to complete the ongoing projects within time & cost estimates and the impact of the company's commitments towards subsidiaries on its credit profile would be the key rating sensitivities.

Background

JSL, part of OP Jindal group, was incorporated in 1984 as SAW Pipes Ltd. The company got its present name in February 2005. The major products of JSL include longitudinal Submerged Arc Welded (SAW) pipes, spiral SAW pipes, Ductile Iron (DI) pipes, seamless pipes, pig iron etc.. The company has four manufacturing facilities at Kosi Kalan (UP), Mundra (Gujarat), Nashik (Maharashtra) and Bellary, (Karnataka) respectively. One of the two plants in Mundra is a 100% Export Oriented Unit (EOU). JSL has an installed capacity of 1.1 MTPA, 0.74 MTPA, 0.22 MTPA and 0.2 MTPA for manufacturing of L-SAW pipes, H-SAW pipes, seamless pipes and DI pipes respectively. It also has waste heat recovery based captive power generation capacity of 30 MW in Mundra. Further, JSL also has a 7.5 MW wind mill in Gujarat.

On a total operating income of Rs.5,244cr, JSL earned PBILDT and PAT of Rs.692cr and Rs.226cr respectively during FY12 (refers to the period April 1 to March 31). As per the provisional results of Q1FY13 (refers to the period April to June), JSL has reported a total operating income of Rs.1,290cr with PBILDT and PAT of Rs.160cr and Rs.35cr respectively.

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ANNEXURE B

CONSOLIDATED AUDITED FINANCIALS

JINDAL SAW LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2012

(` in Lacs)

Particulars	Note No	AS at 31st March, 2012	AS at 31st March, 2011
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	5,524.58	5,524.58
(b) Reserves and Surplus	2	3,64,077.00	4,01,417.61
(2) Share Application money pending allotment	3	2,661.04	-
(3) Minority Interest		3,080.19	2,200.42
(4) Non-Current Liabilities			
(a) Long-term borrowings	4	1,89,348.14	72,664.04
(b) Deferred tax liabilities (Net)	5	1,891.44	15,422.88
(c) Other Long term liabilities	6	10,338.08	2,029.82
(d) Long term provisions	7	3,245.80	2,460.75
(5) Current Liabilities			
(a) Short-term borrowings	8	1,63,380.71	1,19,177.01
(b) Trade payables	9	76,041.77	41,311.99
(c) Other current liabilities	10	1,08,994.64	98,643.06
(d) Short-term provisions	11	3,965.36	3,805.63
Total		9,32,548.75	7,64,657.79
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	2,63,686.30	2,44,277.92
(ii) Intangible assets		1,000.91	756.84
(iii) Capital work-in-progress		1,50,202.59	66,505.35
(b) Goodwill on Consolidation		15,314.55	4,799.36
(c) Non-current investments	13	1,246.88	8,483.67
(d) Long term loans and advances	14	20,450.26	45,815.09
(e) Other Non-Current Assets	15	2,010.77	1,022.76
(2) Current assets			
(a) Current investments	16	3,229.13	19,083.02
(b) Inventories	17	2,14,458.05	1,70,635.28
(c) Trade receivables	18	1,53,249.74	1,29,493.21
(d) Cash and Bank balances	19	29,498.57	21,187.55
(e) Short-term loans and advances	20	76,149.45	51,500.83
(f) Other current assets	21	2,051.55	1,096.91
Total		9,32,548.75	7,64,657.79