

The Indian Steel & Wire Products Limited

(A Subsidiary of **TATA** Steel Limited)

78th ANNUAL REPORT
2014 - 2015

ISWP

A SUBSIDIARY OF **TATA** STEEL LTD.

ISWP

A SUBSIDIARY OF **TATA** STEEL LTD.



TPM Excellence Award by JIPM



CII National HR Excellence Award

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

CONTENTS	PAGE
LIST OF DIRECTORS ETC.	2
NOTICE OF ANNUAL GENERAL MEETING	4
CHAIRMAN'S STATEMENT	8
DIRECTORS' REPORT	9
AUDITORS' REPORT	34
BALANCE SHEET	38
PROFIT AND LOSS ACCOUNT	39
CASH FLOW STATEMENT	40
NOTES FORMING PART OF THE FINANCIAL STATEMENT	41
ABSTRACT OF BALANCE SHEET & COMPANY'S GENERAL PROFILE	73

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Board of Directors



Mr. Sunil Bhaskaran
Chairman



Mr. P. K. Jha



Mr. Sudev C. Das



Ms. Molly Thambi



Mr. Suresh Kumar



Mr. Peeyush Gupta



Mr. D. Kumar



Mr. Neeraj Kant
Managing Director

Committees of Board

Audit & Risk Management Committee

Mr. P. K. Jha	Chairman
Mr. Sudev C. Das	Member
Mr. D. Kumar	Member
Ms. Molly Thambi	Member

Corporate Social Responsibility Committee

Mr. Peeyush Gupta	Chairman
Mr. Sudev C. Das	Member
Mr. Neeraj Kant	Member

Nomination & Remuneration Committee

Mr. Suresh Kumar	Chairman
Mr. Sudev C. Das	Member
Mr. Sunil Bhaskaran	Member
Ms. Molly Thambi	Member

Company Secretary

Mr. Rabi Narayan Kar

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Management Team

Mr. Neeraj Kant	Managing Director
Mr. J. K. Singh	Sr. General Manager (Marketing & Sales)
Mr. T. Deepak	General Manager (Finance & Accounts)
Mr. M. S. Biswas	General Manager (Taxation, EPA & Supply Chain)
Mr. Indrajit Nandi	General Manager (Fasteners & Projects)
Mr. Vijayant Kumar	General Manager (Procurement & Commercial)
Mr. Chandan Banerjee	General Manager (JEMCO)
Mr. Amit Sahay	General Manager (HR/IR & ADMN.)
Mr. Rabi Narayan Kar	Company Secretary

AUDITORS

M/S DELOITTE HASKINS & SELLS

Chartered Accountants

M/S U SHARMA & ASSOCIATES

Cost Accountants

M/S SPS ASSOCIATES

Practising Company Secretary

BANKER

PUNJAB NATIONAL BANK

BISTUPUR, JAMSHEDPUR-831 001

REGISTERED OFFICE :

7, RED CROSS PLACE, KOLKATA - 700 001

Telephone : 033-22133081

Fax : 033-22481671

WORKS :

P.O. : INDRANAGAR, JAMSHEDPUR-831 008

P.O. : JEMCO, JAMSHEDPUR-831 004

Registrar & Transfer Agent

M/S TSR Darashaw Pvt. Ltd.

6-10 Haji Moosa Patrawala Industrial House

20, Dr. E. Moses Road

Near Famous Studio

Mahalaxmi, Mumbai - 400 001

Tel No. : (022) 66568484

Fax No. : (022) 66568494

E-mail : csg-unit@tsrdarashaw.com

Website : www.tsrdarashaw.com

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

NOTICE OF THE ANNUAL GENERAL MEETING TO THE MEMBERS

NOTICE IS HEREBY GIVEN that the **SEVENTY EIGHTH** Annual General Meeting of the members of **THE INDIAN STEEL & WIRE PRODUCTS LIMITED** will be held at the Rotary Sadan, 94/2 Chowringhee Road, Kolkata - 700020 on Friday, the 7th August 2015 at 10.00 A.M to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Statement of Profit & Loss Account for the year ended 31st March 2015 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditor's Report thereon.
2. To appoint a Director in place of Mr. Sunil Bhaskaran (holding DIN-3512528), who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

4. **To appoint Mr. Peeyush Gupta as a Director and to pass, with or without modification, the following resolution as Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 161(1) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, Mr. Peeyush Gupta, (DIN-2840511) who was appointed as an Additional Director of the Company with effect from 4th February 2015 and who holds office only upto the date of this Annual General Meeting, in respect of whom the Company has received Notice in writing from a member along with the requisite deposit pursuant to the provisions of Section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of Mr. Peeyush Gupta for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. **To appoint Ms. Molly Thambi as an Independent Non-Executive Director and to pass, with or without modification, the following resolution as Ordinary Resolution :**

"RESOLVED THAT pursuant to Section 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, Ms. Molly Thambi (DIN-2478494) who was appointed as an Additional Director of the Company with effect from 30th March 2015 and who, under Section 161 of the Companies Act, 2013, holds office only upto the date of this Annual General Meeting, in respect of whom the Company has received Notice in writing from a member along with the requisite deposit pursuant to the provisions of Section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of Ms. Molly Thambi for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT Ms. Molly Thambi, who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th March 2015 to 29th March 2016."

6. **To appoint M/s. Shome & Banerjee, Cost & Management Accountants, Jamshedpur as Cost Auditor of the Company for the Financial Year 2015-16 and to pass, with or without modification, the following resolution as Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Shome & Banerjee Cost Accountants are hereby appointed as Cost Auditors to audit the cost records of the Company for the financial year 2015-16 on a remuneration of Rs. 1.25 lakhs per annum plus applicable service tax and out of pocket expenses that may be incurred.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- NOTE :**
- 1) A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies in order to be effective must be lodged with the Company at its Registered Office at least 48 hours before the commencement of the meeting.
 - 2) The Explanatory Statement concerning the items of Special Business as required under Section 102 of the Companies Act, 2013 is annexed hereto.
 - 3) Members are requested to bring the attendance slips along with copies of the Annual Report to the Meeting.
 - 4) Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the Meeting.
 - 5) The Company has appointed M/s TSR Darashaw Pvt. Ltd., Mumbai, as Register and Transfer Agent with effect from 1st April 2013.
 - 6) The Register of Members and the Transfer Register of the Company will be closed from 28th July 2015 to 7th August 2015, both days inclusive.

Registered Office :
7 Red Cross Place,
Kolkata-700 001
7th July, 2015

By Order of the Board

Rabi Narayan Kar
Company Secretary

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ANNEXURE TO NOTICE

As required by the provisions of Section 102 of the Companies Act, 2013 (hereinafter referred to as "the Act") the following Explanatory Statement set out all material facts relating to the business mentioned under Item Nos. 4, 5 & 6 of the accompanying notice dated 7th July 2015.

ITEM NO. 4 :

Mr. Peeyush Gupta, was appointed as an Additional Director on the Board of your Company with effect from 4th February 2015, by the Board of Directors under section 161 of the Companies Act, 2013. In terms of Section 161(1) of the Act, Mr. Gupta holds office only upto the date of the forthcoming AGM but is eligible for re-appointment as a Director. A notice under Section 160(1) of the Act has been received from a Member signifying his intention to propose Mr. Gupta's appointment as a Director.

Mr. Peeyush Gupta is currently working as Vice-President - Steel (Marketing & Sales) at Tata Steel Limited, Kolkata. Prior to taking over this responsibility, Mr. Gupta was the President & CEO of Tata Steel (Thailand) plc, a listed company on the Stock Exchange of Thailand.

Before moving to Thailand in September 2011, he was Commercial Chief of Tata Steel - Flat products, Indian operations. He is a graduate in Mechanical Engineering with an MBA in Marketing and Finance from McGill University, Canada. He is a Chevening Scholar from Leeds Business School and has done Senior Management development program at CEDEP, France. He is with Tata Steel for 22+ years and has worked in various functional areas at Indian operation that include, Strategy & Integration, financial controller of Long products, Performance Improvement program and International Trade.

He serves as a Director on the Board of Tata Steel (Thailand) plc, TM International Logistics Limited (TMILL)-a Tata group company engaged in the area of shipping, chartering and port operations and Tata Steel Processing and Distribution Limited (TSPDL)- a Tata Steel group Company in the business of steel processing and distribution. He is also a member of Global Wires Business Council, which governs the Tata Steel Group's wires business across India, Thailand and Sri Lanka.

The Board considers it desirable that the Company should benefit itself of Mr. Gupta's experience and recommends his appointment for approval.

Save and except Mr. Peeyush Gupta, none of the Directors is deemed to be interested or concerned with the said appointment/resolution under Item No.4 of the Notice.

ITEM NO.5 :

Ms. Molly Thambi was appointed as an Additional Director of the Company with effect from 30th March 2015 by virtue of resolution passed by circulation which was noted by the Board at its meeting on 3rd April 2015. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Ms. Molly Thambi holds office only upto the date of this Annual General Meeting. The Company has received a Notice pursuant to Section 160 of the Companies Act, 2013 along with the requisite deposit from a Member proposing the candidature of Ms. Molly Thambi for appointment as an Independent Non-Executive Director.

Ms. Molly Thambi is an MA (Economics) from Kerala University and PGDBM (Finance) from IIM (Calcutta). She has a rich and varied experience of over two decades in the Indian financial/securities markets. Ms. Thambi's work experience spans organisations like SHCIL, National Stock Exchange of India Ltd and HSBC. In her previous role she was the Chief Executive Officer & Managing Director of The Calcutta Stock Exchange Ltd.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April 2014, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and is not liable to retire by rotation. Ms. Thambi has given a declaration to the Board that she meets the criteria of independence as provided under section 149 (6) of the Act.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

In the opinion of the Board, Ms. Thambi fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and she is independent of the management. The Board considers it desirable that the Company should benefit itself of Ms. Thambi's experience and recommends her appointment for approval.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Ms. Thambi as Independent Director for a tenure of one year is now being placed before the members in General Meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Save and except Ms. Molly Thambi, none of the Directors is deemed to be interested or concerned with the said appointment/resolution under Item No.5 of the Notice.

ITEM NO.6 :

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company. The Board has considered and approved the appointment of M/s Shome & Banerjee, Cost Accountants., as the cost auditor for the financial year 2015-16 at a remuneration of Rs. 1.25 lakhs per annum plus applicable service tax and reimbursement of out of pocket expenses. The Board recommends this resolution for approval of the Members.

None of the Directors are in any way, concerned or interested, financially or otherwise, in the resolution under Item No.6 of the Notice.

Registered Office :
7 Red Cross Place,
Kolkata-700 001
7th July, 2015

By Order of the Board

Rabi Narayan Kar
Company Secretary

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

CHAIRMAN'S STATEMENT



Dear Shareholders,

Indian steel industry currently faces many headwinds. Globally, steel industry is affected by significant over supply. Falling demand in key steel consuming regions like China have led to significant pressure on steel prices and dumping of products into countries like India. Reduction in demand of steel products resulted in severe credit crunch in the steel industry leading to cost reduction exercises and unplanned shutdowns. This coupled with lower realisations of derived products and increased conversion costs put pressure on the margins. Your Company is taking various steps towards the effects of the above and increase profitability.

Despite the challenging business environment, your Company achieved its consolidated revenue of Rs.257.5 crore, being the highest, an increase of 9% over that achieved during 2013-2014. However, profit after tax (PAT) was Rs. 9.3 Cr. lower by 26% over last year due to lower prices of finished products, higher input cost and unplanned plant shutdowns due to adverse market condition.

During the year, your Company has ventured into a new business vertical of fasteners with an ambition to garner a prominent market share in wire products. This has been operationalized by virtue of revamping the old machineries at a cost of around Rs 3.50 Crores. The business has stabilized and is expected to contribute to profits of your Company from the next year onwards.

Your Company has come up with a strategic roadmap for the next five years in order to achieve its newly developed Vision statement which emphasizes on utmost satisfaction of every stakeholder associated with it.

On behalf of the Board, I would like to take this opportunity to acknowledge the valuable contributions made by Ms Meena Lall as Director during her long tenure on the Board of the Company. I would like to extend a warm welcome to Mr Peeyush Gupta and Ms Molly Thambi as non-executive directors on the Board with effect from 4th February 2015 and 30th March 2015 respectively. Subject to your approval, Ms Thambi will be appointed as an Independent Director of the Company.

I wish to compliment the Company's Management and all the employees of the Company for their sustained dedication to deliver quality work. I sincerely thank the Union for maintaining industrial harmony and look forward to their continued support and encouragement in future. I would also like to acknowledge the trust reposed on the management by our shareholders and other stakeholders.

The ISWPL family joins me in conveying our gratitude to our promoter, Tata Steel Limited, for continued support and guidance.

With Best Regards.

Jamshedpur
25th April, 2015

(Sunil Bhaskaran)
Chairman

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

BOARD'S REPORT

DEAR MEMBERS,

The Directors are pleased to present their 78th report on the business and operations of the Company along with the Audited Statement of Accounts for the year ended 31st March 2015.

FINANCIAL RESULTS

	2014-15 (Rs. in lakhs)	2013-14 (Rs. in lakhs)
Net Sales / Income	25,350.65	23,258.03
Total Expenditure	23,935.36	20,824.10
Profit before Depreciation Interest, Exceptional items and Taxes	1,415.20	2,433.93
Less : Depreciation	237.33	492.52
Profit before Interest, Exceptional items and Taxes	1,177.87	1,941.41
Less : Interest	114.35	35.54
Profit Before Exceptional items and Taxes	1,063.52	1,905.87
Add : Exceptional items	355.86	-
Profit / (Loss) Before Tax	1,419.38	1,905.87
Less : Taxes	433.05	653.80
Add : Deferred Tax Assets	54.76	(5.99)
Profit / Loss After Tax	931.57	1,258.06

(Previous year's figures are recasted/regrouped wherever necessary)

BUSINESS PERFORMANCE AND PROSPECTS

During the year under review, the gross turnover including other income of the Company was at Rs.25,350.56 lakhs compared to Rs.23,258.03 lakhs in the previous year. The profit for the year before exceptional items and taxes was at Rs.1,063 lakhs compared to a profit of Rs.1,905.87 lakhs in the previous year. The performance of Company's different business verticals is detailed as under:

- (i) **Rod Mill** :Wire Rod production was at 2, 25,877 MT compared to 2, 26,893 MT in the previous year. The lower production has primarily been due to some unanticipated and prolonged break-downs.
- (ii) **Wire Mill** :The production of Wire was lower at 38,687 MT as against 39,780 MT in the previous year.Key major reasons for shortfall in production are consumption of Chinese Wire Rods due to non-availability of wire rods that led to more number of entanglements and hampered productivity, power outages on average twice in a month and plant shutdown for 15 days due to adverse market conditions. However, special improvement initiatives are being taken to improve productivity.
- (iii) **JEMCO Rolls & Castings** : Production of Rolls & Castings at JEMCO Division of the Company was at 3,803 MT compared to 2,985 MT in the previous year.This business has witnessed highest ever dispatch of Rolls & Castings during the year.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

- (iv) **MIG Wires & Welding Electrodes:** This business has recorded a dispatch of 3,691 MT compared to 3,008 MT in the previous year. The Annual Business Plan targets could not be achieved due to unforeseen sluggishness in the market. However, there has been continuous increase in sales and market share of MIG welding wire due to supply to major Original Equipment (OE) segment.

VISION 2020

During the year under review, a new Vision statement has been developed to guide your company through its growth journey. The Vision 2020 is as follows:-

To emerge as a prominent and leading downstream steel long products company through:

- **Products:** Be the preferred supplier of innovative and high quality rods, wires, wire products and rolls & castings.
- **People:** Become an employer of choice in the Tata Steel Group
- **Planet:** Be a benchmark in safety, health and environmental stewardship within the Tata Steel Group
- **Profit:** Double the profits and revenue to achieve a minimum ROIC of 22% by 2020.

COMPANY'S STRATEGY

The Company has defined a strategic road map of high priority initiatives based on its strength, vision and objectives. These initiatives have been developed on the following four parameters :

1. Growth and new business
2. Operational Excellence
3. Customer Intimacy
4. Employee and sustainability

The Company has defined ambitions for Business Units to emerge as a key supplier to Tata Steel Limited and a significant player in direct businesses. Road map for next 5 years has been defined and several initiatives have been taken in the right direction.

NEW BUSINESS

With a view to emerge as India's prominent and leading downstream long products company, and become the preferred supplier of the widest range of high quality wire products, the company has commenced operations in a new business vertical of Fasteners. Old machineries lying unused in the plant for last 16 years have been revamped at a very nominal cost for producing good quality Fasteners - nuts, bolts, rivets, screws and nails - which are marketed under the brand name of "Spark". Fasteners are an attractive market growing at a CAGR of 9.5% with good margins. During the year, the plant and machinery got revamped and operations stabilized; good profits are expected from this business in the next year and in future. The Company has recently received the Bureau of Indian Standards (BIS) approval for Fasteners and the approval from other major customers is under process. As soon as approval is obtained, there will be sufficient orders from OEs to utilize 100% of the plant capacity. The direct business of Fasteners which has been operationalized at a nominal cost, compared to similar size new investments, is expected to become an attractive and mainstay business of ISWP in the near future.

Recently in coordination with Tata Steel Limited, your Company has also taken up production of couplers (used for Rebars) through External Processing Agents and the same are being sold under the brand name of TISCON Ready Build.

MARKET SCENARIO

Steel market has been difficult and sluggish for the major part of the year. Cheap imports mainly from China and Russia kept the pressure on market prices of long steel products. The demand continued to be low and there was a severe liquidity crunch in the market.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Due to sluggish demand and low prices, the Wire Mill of ISWP had to remain under shutdown for more than two weeks during January-February 2015. The market of Rolls and Castings also witnessed an unprecedented fall in prices. Added to this, the cost of certain raw materials like Ferro Alloys shot up thereby putting pressures on margins.

The difficult market situation of last year is expected to continue for most part of the current financial year and your company is taking various measures to reduce costs, in order to maintain healthy margins.

DIVIDEND

The Directors have decided not to recommend any dividend for the financial year ended 31st March 2015.

CORPORATE GOVERNANCE

The Company has inherited the values and corporate governance practices of Tata Group and the management of the Company has assigned high priority to Corporate Governance practices in the Company. The Company has various Committees, constituted by the Board of Directors, which have functioned effectively during the year under review.

AUDIT & RISK MANAGEMENT COMMITTEE

The Audit Committee of the Board was reconstituted and renamed as Audit & Risk Management Committee complying with the requirements of Section 177 of the Companies Act, 2013 and the rules framed thereunder.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr Sunil Bhaskaran will retire by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment.

During the year under review, Mrs Meena Lall has stepped down as Director of the Company with effect from 4th February 2015. The Board would like to place on record its sincere appreciation for the contributions made by Mrs Lall during her tenure with the Board.

Mr Peeyush Gupta, who was appointed as Additional Director w.e.f. 4th February 2015, and who holds office up to the date of the forthcoming Annual General Meeting of the Company, has been proposed in writing by a shareholder for the office of Non-Executive Director.

In accordance with the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, it is proposed to appoint Ms Molly Thambi, who has been appointed as an Additional Director w.e.f. 30th March 2015 and who meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, as independent director for a period of one year from the date of the ensuing Annual General Meeting.

MEETINGS

During the year, five Board Meetings and four Audit & Risk Management Committee Meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of the Companies Act, 2013, all the independent directors have given declaration that they meet the criteria of independence as set out in Section 149 (6) of the Act.

PERFORMANCE EVALUATION OF BOARD

The Company, as recommended by its Nomination & Remuneration Committee and in line with the Tata Group Policy, has adopted a Policy for performance evaluation of Independent Directors, Board, its Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Policy on appointment and removal of Directors, attached herewith as "Annexure- A", shall act as a guideline for determining qualifications, positive attributes, independence of a Director and matters relating to the appointment and removal of Directors.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

The remuneration policy of the Company, attached herewith as "Annexure- B", was formulated considering the following factors:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

AUDIT REPORT

The Statutory Auditors Report on Annual Accounts for the financial year 2014-15 contains no qualification.

AUDITORS

(1) Statutory Auditors :

M/s. Deloitte Haskins & Sells, Chartered Accountants, the present Statutory Auditors of the Company hold their office till the conclusion of the Annual General Meeting and will be eligible for re-appointment. They have expressed their willingness to continue as Auditors of the Company. Necessary certificate under Section 139(1) of the Companies Act, 2013 has been received from them.

(2) Secretarial Auditors :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s SPS Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report on the Secretarial Audit Report is annexed herewith as "Annexure C".

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Your Company continues to be actively involved in the welfare and development of the communities in and around the plant premises. Social organizations and various academic institutions including those associated with education, sports, community development, skill development, etc. are supported by the Company by way of several initiatives during the year. An initiative named "UDAAN" is successfully run to secure the overall well - being of the women employees.

The Sports Complex of your Company has continued to provide training and coaching in various games and sports i.e., Archery, Basketball, Volleyball, and Football. A total of 20 medals at state and national level were won by our trained candidates in various sports activities. Several other candidates from our sports complex have been given jobs under sports quota by organizations like Indian Army, Sports Authority of India Ltd., etc., as well as scholarships for studies in the Punjab University.

ISWP has adopted a school for the education of 'drop-out girls', Kasturba Gandhi Balika Vidhalaya at Potka, a village 40 km away from Jamshedpur - and has taken the responsibility to provide vocational training to all 300 students. Training is being provided in the areas of (a) Stitching, (b) Organic farming, (c) Mushroom plantation, (d) Music and Dance, (e) Painting (f) Computer Education (g) Archery. One of the student has been selected by Tata Archery Academy for providing advanced professional residential training.

Project RAAH, an educational support to the unprivileged class, has been initiated under which one student has been enrolled in AL Kabir Polytechnic College, a technical institute at Jamshedpur. Scholarship has also been provided by the Company and 25 pre-nursery students were admitted into Royal International Academy (an English medium school at Jamshedpur) for their education. To inculcate the culture of volunteerism among employees, the company has initiated 'Employee Sensitization & Volunteerism' program towards Corporate Social Responsibility (CSR) & Affirmative Action.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

As part of its initiatives under "Corporate Social Responsibility (CSR), the Company has undertaken various projects in the diverse areas of education, livelihood, health, water and sanitation. These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities is annexed herewith as "Annexure D".

AFFIRMATIVE ACTION

The Company is guided by the code of conduct on affirmative action. The Company ensures implementation of the code by arousing awareness on the subject amongst employees, vendors, suppliers and stakeholders through training programmes conducted from time to time. The policy on Affirmative Action lays emphasis on 4Es i.e. Employment, Employability, Entrepreneurship and Education which are being monitored regularly on quarterly basis to ensure its implementation in the right spirit. As a result of Tata Affirmative Action Programme (TAAP) Assessment, the Company has been placed in the score band of 371-400.

SAFETY, HEALTH AND ENVIRONMENT

Being a part of Tata Group, your company has continued to accentuate its efforts in the area of Safety and Health of its employees/contractors, which have gone a long way in maintaining congenial atmosphere of work within the premises. Safety campaigns were observed with the intent to keep the employees and contract labour consistently aware and conscious of Safety processes and regulations.

Employees undergo mandatory periodical medical examination as stipulated under various statutory requirements. Free medical facilities are provided at Company's own hospital and its empanelled hospitals for referral cases. Utmost compliance with legislations pertaining to Environment, Health and Safety (EHS) has been achieved.

During the year under review, your Company observed National Safety Day in which safety quiz, safety slogans, safety talk, sit and draw competition, etc. were organized. The Safety excellence journey launched in your Company and safety rules and procedures have yielded positive results by way of reduced "LOST TIME INJURY FREQUENCY (LTIFR) as well as reduced first aid cases.

On the occasion of World Environment Day, plantation of trees was done in and around factory premises and residential colonies. Compliance to EHS legislations has been achieved through implementation of the Environmental, Occupational Health and Safety Policy of the Company which ensures continuous improvement at safety front.

TOTAL QUALITY MANAGEMENT SYSTEM

Your Company has participated in the Tata Business Excellence Model (TBEM) Assessment for the year 2014 facilitated by Tata Quality Management Services (TQMS), conducted through an experienced team of assessors from various Tata Group Companies and mentored by a senior executive of the Group. Your Company has succeeded in getting a commendable score of 469 out of 1000 and is striving to achieve a score of 500 in the next assessment. The feedback report comprising of strengths and grey areas those need improvement, has been discussed by the Board and efforts are on to cater to the challenges identified by the assessors in due course.

Various forays into the realm of quality are also being worked upon and the same have started showing encouraging results. Initiatives have been taken to prepare and execute roadmaps to improve quality of the products and the customer centricity across the product range. One of such initiative is the Suggestion Management Scheme. It has been re-launched and implemented for the employees to communicate their suggestions to the management in the areas of quality enhancement, better administration, operational excellence, etc. Knowledge Management portal, which is cloud based, has been launched to facilitate smooth sharing of knowledge among the employees on a single platform easily accessible to all.

Your company has undergone audits conducted for Integrated Management System certification and has successfully achieved accreditation of IMS Certificates - ISO 9001:2008 Quality Management System, ISO 14001:2004 Environmental Management System, and OHSAS 18001:2007 Occupational Health and Safety Management System.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

AWARDS

The Company has won following awards during the financial year 2014-15:

- (1) **Total Productive Maintenance (TPM) Excellence Award in category A:** TPM Award is regulated by the Japan Institute of Plant Maintenance (JIPM). This was established with a purpose to encourage manufacturing industries to enhance their productivity through remarkable plant maintenance. The assessment extends its coverage to encompass the entire company from the shop floor to the executive boardroom, creating a true company wide commitment to production excellence.
- (2) **CII National HR Excellence Award for Strong Commitment in HR Excellence:** This award is regulated by Confederation of Indian Industry, the assessment of which encompasses all aspects of human resource management and acts as a practical tool for measuring the current status and thus identifying the gaps to stimulate solutions.

BUSINESS RISK MANAGEMENT

The Company has a Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities, which is regulated by the Audit & Risk Management Committee of the Board. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments. Risk management forms an integral part of the Company's Mid-Term Planning cycle.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit & Risk Management Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit & Risk Management Committee of the Board.

PERSONNEL

Industrial Relations during the period were cordial and your Directors would like to place on record their appreciation of the valuable contribution made by employees, at all levels. Unionized employee grade has been re-designated as Junior Associate, Associate and Senior Associate. For the first time, Long Service Awards for the employees have been implemented.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) of the Companies Act 2013, the Directors based on the representations received from the Management, confirm that:

- (a) In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (b) The directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

- (d) The directors had prepared the annual accounts on a 'going concern' basis.
- (e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit & Risk Management Committee for its noting. Prior approval of the Audit & Risk Management Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit & Risk Management Committee and the Board of Directors for their approval on a quarterly basis.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The report on contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 has been annexed hereto as "Annexure E".

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure F".

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure G".

DECLARATION WITH RESPECT TO OTHER DISCLOSURES

It is hereby declared that no disclosure is required in respect of the following items as there were no transactions on the same during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Particulars of Loans given, Investments made, Guarantees given and Securities provided under Section 186 of the Companies Act, 2013.
3. Information relating to amount transferred to reserves.

It is further stated that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

The Directors acknowledge with gratitude the support extended by all the Company's stakeholders namely, shareholders, customers, suppliers/ contractors, bankers, employees, government agencies, local authorities, business associates and the society in which it carries out its operations for their unstinted support and cooperation during the year. The Board is also thankful to the promoter, Tata Steel Limited for their continued support and counsel.

On behalf of the Board of Directors

Jamshedpur
25th April, 2015

Sunil Bhaskaran
(Chairman)

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ANNEXURE 'A' TO THE BOARD'S REPORT

POLICY ON APPOINTMENT AND REMOVAL OF DIRECTORS

(1) BOARD MEMBERSHIP CRITERIA

The Nominations and Remuneration Committee (NRC) works with the Board to determine the appropriate characteristics, skills, and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education, and public service. Characteristics expected of all directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

In evaluating the suitability of individual Board members, the Committee considers many factors, including general understanding of marketing, finance, operations management, public policy, international relations, legal, governance and other disciplines relevant to the success of the Company in today's business environment; understanding of the Company's business; experience in dealing with strategic issues and long-term perspectives; maintaining an independent familiarity with the external environment in which the company operates and especially in the directors particular field of expertise; educational and professional background; personal accomplishment; and geographic, gender, age, and ethnic diversity.

The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company's business and represent stakeholders' interests through the exercise of sound judgment, using its diversity of experience.

In determining whether to recommend a director for re-election, the Committee, also considers the director's past attendance at meetings, participation in meetings and contributions to the activities of the Board, and the results of the most recent Board self-evaluation.

Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with the responsibilities at The Indian Steel & Wire Products Limited.

(2) BOARD DIVERSITY POLICY

The Company recognizes the importance of diversity in its success. It is essential that the Company has as diverse a Board as possible.

A diverse Board will bring in different set of expertise and perspectives. The combination of Board having different skill set, industry experience, varied cultural and geographical background and belonging to different race and gender will bring a variety of experience and viewpoints which will add to the strength of the Company.

While all appointments to the Board are made on merit, the diversity of Board in aggregate will be of immense strength to the Board in guiding the Company successfully through various geographies.

The Committee reviews and recommends appointments of new directors to the Board. In reviewing and determining the Board composition, the Committee will consider the merit, skill, experience, race, gender and other diversity of the Board.

To meet the objectives of driving diversity and an optimum skill mix, the Committee may seek the support of Parent company.

The Committee will report annually, in the Annual Report of the Company, the process it employed in Board appointments. The report will include summary of this Policy including purpose and the progress made in achieving the same.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

This Policy will be reviewed and reassessed by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise

(3) CRITERIA FOR DETERMINING INDEPENDENCE OF DIRECTORS

A Director is considered independent if the Board makes an affirmative determination after a review of all relevant information. The Board has established the categorical standards set forth below to assist it in making such determinations. In order for a Director to be considered independent, the Director:

- (1) Shall not be Managing Director or a Whole time Director or a Nominee Director.
- (2) Shall be, in the opinion of the Board, a person of integrity and shall possess relevant expertise and experience.
- (3) Shall not be a promoter of the Company or its holding, subsidiary or associate Company.
- (4) Shall not be related to promoters or Directors in the Company, its holding, subsidiary, or associate Company.
- (5) Apart from receiving Director's remuneration, shall not have any pecuniary relationships with the Company, its holding, its subsidiaries, its associate companies, its promoters, or Directors, during the current financial year or immediately preceding two financial years.
- (6) Relatives should not have or had pecuniary relationships or transactions with the Company, its holding (s), subsidiary or associate Company, or their promoters, or Directors, amounting to 2% or more of its gross turnover or total income or INR 50 Lakhs or such amount as the Company may prescribe, whichever is lower, during the two immediately preceding financial years or during the current financial year.
- (7) Neither himself / herself nor any of his / her relatives shall hold or has held the position of a KMP or is or has been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed.
- (8) Neither himself / herself nor any of his / her relatives shall or has been an employee or proprietor or a partner, in any of the 3 financial years immediately preceding the financial year, of:
 - a) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company;
 - b) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to 10%. or more of the gross turnover of such firm;
 - c) holds together with his relatives 2% or more of the total voting power of the Company ("Substantial Shareholder");
- (9) a Chief Executive or Director, by whatever name called, of any non-profit organization that receives 25%, or more of its receipts from the Company, any of its promoters, Directors or its holding, subsidiary or associate Company or that holds 2%, or more of the total voting power of the Company.
- (10) Has not held office for more than 2 consecutive terms on the Board of the Company.
- (11) Who possesses such other qualifications as may be prescribed by the Companies Act, 2013.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ANNEXURE 'B' TO THE BOARD'S REPORT

REMUNERATION POLICY OF DIRECTORS, KMPs AND OTHER EMPLOYEES

- 1. Remuneration for independent directors and non-independent non-executive directors**
 - 1.1. Overall remuneration should be reflective of the size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.
 - 1.2. Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members). Quantum of sitting fees and NED Commission may be subject to review on a periodic basis, as required.
 - 1.3. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
 - 1.4. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
 - 1.5. Overall remuneration practices should be consistent with recognized best practices.
 - 1.6. The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board, based on company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
 - 1.7. The NRC will recommend to the Board, the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
 - 1.8. In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.
- 2. Remuneration for managing director ("MD")/ executive directors ("EDs")/ KMP/ rest of the employees**
 - 2.1. The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be
 - (a) Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
 - (b) Driven by the role played by the individual,
 - (c) Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay,
 - (d) Consistent with recognized best practices and
 - (e) Aligned to any regulatory requirements.
 - 2.2. In terms of remuneration mix or composition,
 - (a) The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

- (b) Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- (c) In addition to the basic/ fixed salary, the company may provide employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company may also provide all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursments or insurance cover and accidental death and dismemberment through personal accident insurance.
- (d) The company provides retirement benefits as applicable.
- (e) In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company may provide MD/ EDs such remuneration by way of bonus/performance linked incentive and/or commission calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
- (f) The company may provide the rest of the employees a performance linked bonus and/or performance linked incentive. The performance linked bonus/performance linked incentive would be driven by the outcome of the performance appraisal process and the performance of the company.

3. Remuneration payable to Director for services rendered in other capacity

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

- (a) The services rendered are of a professional nature; and
- (b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

4. Premium on Insurance policy

- 4.1. Where any insurance is taken by the Parent Company or by the company on behalf of the Company's NEDs, for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration.
- 4.2. Where any insurance is taken by the Parent Company or by the company on behalf of the Company's MD/EDs, KMP and any other employees for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ANNEXURE 'C' TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31st, 2015

To,
The Members,
The Indian Steel & Wire Products Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Indian Steel & Wire Products Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of The Indian Steel & Wire Products Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions subject to my observation mentioned in the relevant annexure of the Act, Rules, Regulation as listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2015 according to the provisions of :

S.No.	Name of Act/ Rules/ Regulations
1	The Companies Act, 2013 (the Act) and the rules made thereunder
2	Employees Provident Fund and Miscellaneous Provisions Act, 1952
3	Employees State Insurance Act, 1948
4	Public Liability Insurance Act, 1991
5	Environment Protection Act, 1986
6	Water (Prevention and Control of Pollution) Act, 1974 and Water Cess Act, 1977
7	Air (Prevention and Control of Pollution) Act, 1981
8	Hazardous Waste (Management, Handling and Trans boundary Movement) Rules, 2008
9	Factories Act, 1948
10	Contract Labour (Regulation and Abolition) Act, 1970
11	The Industrial Employment Standing Orders Act, 1946
12	Workmen Compensation Act, 1923
13	Employment Exchange (Compulsory Notification of Vacancies) Act, 1961
14	Apprenticeship Act, 1961
15	Batteries Management & Handling Rules, 2001
16	Income Tax Act, 1961 and Indirect Tax Laws
17	Indian Stamp Act, 1999
18	Industrial Dispute Act, 1947
19	Maternity Benefits Act, 1961
20	Minimum Wages Act, 1948
21	Negotiable Instrument Act, 1881
22	Payment of Bonus Act, 1965
23	Payment of Gratuity Act, 1972
24	Equal Remuneration Act, 1976
25	Payment of Wages Act, 1936 and other applicable labour laws

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the Meeting.

Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes, if any.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances of :

- (1) Public/Rights/ Debentures/sweat Equity
- (2) Redemption / buy-back of securities
- (3) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (4) Merger / amalgamation / reconstruction, etc.
- (5) Foreign technical collaborations

For SPS Associates

Place: Jamshedpur
Date: 24th April 2015

Sital Prasad Swain
M. No.: FCS 6338
CP No : 6814

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ANNEXURE 'D' TO BOARD'S REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2014-15:

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

CSR Policy of the Company is stated herein below:

<http://www.iswp.co.in/home/pdf/csrapolicy.pdf>

2. **Composition of CSR Committee:**

Mr. Peeyush Gupta, Chairman

Mr. Sudev C Das, Member

Mr. Neeraj Kant, Member

3. **Average net profit of the Company for the last three financial years :** Rs. 2430 Lakhs

4. **Prescribed CSR Expenditure (2% of the amount in item no 3 above) :** Rs. 48.61 Lakhs

5. **Details for CSR spend for the financial year**

(a) **Total amount spend for the financial year:** Rs. 34.28 Lakhs

(b) **Amount unspent, if any :** Rs. 14.33 Lakhs

Some of the projects related to Employability & Skill Development and Education are ongoing projects and as such could not be completed within the financial year.

(c) **Manner in which the amount spent during the financial year :** Attached

6. **Reasons for not spending the allocated amount :**

Please refer to item no. 5(b) above.

7. **The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company, is reproduced below:**

"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company."

Neeraj Kant
Managing Director

Peeyush Gupta
Chairman, CSR Committee

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Sl. No.	Sector in which the project is covered	CSR projects/Activities Identified	Locations of Projects or Programs		Amount Outlay (Rs.)	Amount spent on the projects		Activities carried out directly thorough implementing agency
			Local Area/ others	State/District		Direct Expenditure	Overhead	
1	Promotion of Education	Gyanoday Pre-Nursery School	Local, Jemco	Jamshedpur, Jharkhand	1,50,000	2,18,000		CSR Dept.
		International Academy"	Local, Jemco	Jamshedpur, Jharkhand	2,17,000	1,42,313		CSR Dept.
		Project RAAH	Local	Jamshedpur, Jharkhand	70,000	34,650		CSR Dept.
		DISHA	Local, Jemco	Jamshedpur, Jharkhand	3,00,000	-		DISHA Ladies Club
		Blood Donation Camp	Local	Jamshedpur, Jharkhand	50,000	21,027		CSR Dept.
2	Health & Sanitation	Health checkup & Immunization Camp	Local	Jamshedpur, Jharkhand	50,000	23,868		CSR Dept.
		Tree Plantation	Local	Jamshedpur, Jharkhand	1,00,000	-		CSR Dept.
3	Environmental Sustainability	Basti Cleaning	Local	Jamshedpur, Jharkhand	5,00,000	6,17,207		CSR Dept.
		Serving Water to G.L.Public	Local	Jamshedpur, Jharkhand	14,718	14,718		CSR Dept.
		Pond Cleaning	Local	Jamshedpur, Jharkhand	3,34,832	2,00,000		CSR Dept.
		Stitching Training	Potka	Jamshedpur, Jharkhand	2,00,000	24,187	63,000	CSR Dept.
		Nutritional Gardening at DB2	Local	Jamshedpur, Jharkhand	98,750	-		TRCSC
4	Employability & Skill Development	Nutritional Gardening Training	Potka	Jamshedpur, Jharkhand	1,91,608	2,25,931		TRCSC
		Mushroom Cultivation Training	Potka	Jamshedpur, Jharkhand	3,50,000	2,24,000		TRCSC
		Archery Training	Potka	Jamshedpur, Jharkhand	1,87,000	-	99,640	CSR Dept.
		Computer Training	Potka	Jamshedpur, Jharkhand	2,80,000	-		NIIT
		Bamboo Crafting Training	Potka	Jamshedpur, Jharkhand	3,70,000	8,780		NGO
		ART Classes	Potka	Jamshedpur, Jharkhand	1,00,000	-		CSR Dept.
		Welding Training	Local	Jamshedpur, Jharkhand	4,50,000	-		
		Solar Training	Potka	Jamshedpur, Jharkhand	1,70,000	-		
		ISWP Sports Complex (Archery, Basketball, Volleyball, Football).	Local	Jamshedpur, Jharkhand	9,00,000	13,54,297		CSR Dept.
		Power of 49 campaign	Local	Jamshedpur, Jharkhand	1,00,204	1,13,071		CSR Dept.
6	Gender Equity & Women Empowerment	Lady Inder Singh School	Local	Jamshedpur, Jharkhand	50,000	-		CSR Dept.
		Community Development Centre	Local	Jamshedpur, Jharkhand	30,000	-		CSR Dept.
7	Infrastructure Development & Maintenance	Vikas Kala Kendra	Local	Jamshedpur, Jharkhand	60,000	43,381		CSR Dept.
		TOTAL			53,24,112	32,65,430	1,62,640	
				Total Expenditure		34,28,070		

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ANNEXURE 'E' TO BOARD'S REPORT

Statement for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Section 188 (1) of the Companies Act, 2013, in terms of Section 134 (3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

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

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2014-15.

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

attached

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ANNEXURE 'E' TO BOARD'S REPORT

CONTRACTS/ARRANGEMENTS/TRANSACTIONS AT ARM'S LENGTH BASIS

Name of the Company	Nature of Relationship	Nature of Transactions	Description of transaction
Tata Steel Limited (TSL)	Holding Company	Purchase of wire rods	ISWPL purchases wire rods for utilisation in the production of electrodes.
		Sale of electrodes	ISWPL sells electrodes manufactured by it to TSL as well as third parties.
		Sale of rolls & castings	ISWPL sells rolls and castings manufactured by it to TSL as well as third parties.
		Sale of wires	ISWPL sells wires manufactured by it to TSL as well as third parties.
		Receipt of lease rent	ISWPL has provided some flats on lease to TSL at Alipore, Kolkata.
		Rendering of conversion services	ISWPL has the following conversion arrangements with TSL : 1. Billets to wire rods and TMT 2. Wire rods to wires 3. Zinc dross to lumps
		Payment of lease rent	TSL has obtained land on lease from the government of Jharkhand, a part of which has been sub-leased to ISWPL.
		Receipt of electricity services	ISWPL receives electricity from TSL for its works, office and township.
		Receipt of medical services	TSL receives medical services from TMH (owned by TSL) in Jamshedpur
		Receipt of audit and training services	ISWPL receives training services from TSL. It also receives internal audit services from TSL.
		Receipt of water services	ISWPL receives water from TSL for its works, office and township.
		Payment towards municipal contribution	Like all other companies in TSL leasehold area, ISWPL contributes its share towards the maintenance of Jamshedpur township by TSL.
TM International Logistics Limited (TMILL)	Fellow Subsidiary	Receipt of freight and handling Services	ISWPL receives freight and handling services from TMILL.
Tata Pigments Limited (TPL)	Fellow Subsidiary	Receipt of repair services	ISWPL receives repairs services for ots buildings from TPL.
		Sale of electrodes	ISWPL sells goods manufactured by it to TPL as well as third parties.
The Tinsplate Company of India Limited (TCIL)	Fellow Subsidiary	Receipt of medical services	ISWPL receives medical services from TCIL.
Jamshedpur Utilities and Services Company Limited (JUSCO)	Fellow Subsidiary	Sale of electrodes/nails	ISWPL sells goods manufactured by it to JUSCO as well as third parties.
		Receipt of operation & maintenance facilities	ISWPL receives O&M services from JUSCO for the water ponds and tanks in its premises. Such services were earlier undertaken by ISWP in-house

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ANNEXURE 'F' TO BOARD'S REPORT

Particulars of Conservation of Energy, Technology Absorption and foreign exchange earnings and outgo in terms of section 134(3) (m) of the Companies Act, 2013 read with the Rule 8 of Companies (Accounts) Rules, 2014 forming part of the Board's Report for the year ended 31st March 2015.

CONSERVATION OF ENERGY

- a) Measures Taken :
- (i) Implementation of various suggestions, in a phased manner, of the Energy Audit Report submitted by an Independent body.
 - (ii) Necessary steps are being taken in consultation with Group Companies to reduce energy consumption by synchronizing activities in the shop floor.
- b) Additional investments proposals, if any, being implemented with a view to reduce energy consumption.

Particulars with respect to Conservation of Energy are given in Form - I enclosed.

TECHNOLOGY ABSORPTION

Particulars with respect to Technology Absorption are given in Form - II enclosed.

FOREIGN EXCHANGE EARNINGS AND OUTGO

- 1) Efforts were made to develop products for export to a significant extent and small quantity of Rolls was exported during this year.
- 2) Total Foreign Exchange Earnings and Outgo:

	2014-15 (Rs. in Lakhs)	2013-14 (Rs. in Lakhs)
Earnings	634.51	577.71
Outgo	123.36	77.89

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

FORM I

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY :

	2014-15	2013-14
POWER AND FUEL CONSUMPTION		
ELECTRICITY PURCHASED		
Units(KWH)	6,04,49,690	5,85,28,402
Total Cost (Rs./Lakhs)	2,775.70	2,308.21
Rate/Unit (Rs./Kwh)	4.59	3.94
OWN GENERATION		
Units (KWH)	NIL	NIL
Total Cost (Rs./Lakhs)	NIL	NIL
Rate/Unit (Rs.)	N.A	N.A
COAL & COKE		
Quantity (MT)	6.11	6.80
Total Cost (Rs./Lakhs)	0.87	0.89
Average rate (Rs/MT)	14,173	13,088
FURNACE OIL/LSHS		
Quantity (KL)	8,767	8,762
Total Cost (Rs./Lakhs)	3,225.41	3,732.07
Average rate (Rs/KL)	36,789	42,592
CONSUMPTION PER UNIT OF PRODUCTION		
Wire Rod		
Production in MT	2,25,876	2,26,893
Electricity (Kwh per Mt)	153.25	156.77
Furnace Oil (Litre per Mt)	37.71	38
Coal (Kg per Mt)	N.A.	N.A.
Wire		
Production in MT	48,814	50,399
Electricity (Kwh per Mt)	200.74	184.80
Furnace Oil (Litre per Mt)	N.A.	N.A.
Coal (Kg per Mt)	N.A.	N.A.
Cast Iron & Steel based Rolls		
Production in MT	3,483	2735
Electricity (Kwh per Mt)	2,817	3,224
Furnace Oil (Litre per Mt)	67	79
Coal & Coke (Kg per Mt)	1.75	2.49
C.I Castings & Steel Castings		
Production in MT	335	250
Electricity (Kwh per Mt)	2181	2737
Furnace Oil (Litre per Mt)	67	79
Coal & Coke (Kg per Mt)	NIL	NIL

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

FORM II

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION :

- 1) New products are being added in consultation with customers and Group Company's technical experts with a view to improve performance of our products and developing new product range.
- 2) Efforts are being made for further quality of improvements in products at higher efficiency.
- 3) Expenditure on Research & Development- No separate expenditure incurred on Research & Development as it is a part of the normal production & planning activity.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- 1) Efforts :

Company has achieved ISO-9001:2000 Certification from Indian Register Quality Systems (IRQS). Our Executives participated in National Conferences and visited various production centres for establishing contacts with potential customers.

- 2) Benefits derived as a result of the above effects:

Better acceptance of the Company's Products in the competitive market through effective reduction of cost in manufacturing process and improvement in quality of products.

- 3) Technology imported in the last five years:

There was no technology import in the last five years.

Training on New technology on Wire drawing and galvanizing was given by Tata Steel Wire Division to our employees, which has now been absorbed by them.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ANNEXURE 'G' TO BOARD'S REPORT

Extract of Annual Return

as on the Financial Year ended 31st March 2015

I. REGISTRATION AND OTHER DETAILS :

i) CIN:-	L27106WB1935PLC008447
ii) Registration Date	2/12/1935
iii) Name of the Company	THE INDIAN STEEL & WIRE PRODUCTS LIMITED
iv) Category / Sub-Category of the Company	PUBLIC COMPANY LIMITED BY SHARES
v) Address of the Registered office and contact details	7 RED CROSS PLACE, KOLKATA-700001, WEST BENGAL"
vi) Whether listed company Yes / No	NO
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	TSR DARASHAW LIMITED, 6-10 HAJI MOOSA "PATRAWALA INDUSTRIAL ESTATE, 20 DR.E" MOSES ROAD MAHALAXMI, MUMBAI - 400011022-66568485

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
Wire Rods	24105	46
Wires	24108	24
Steel Castings/ Iron Castings	24319	19
MIG Wires & Welding Electrodes	24109	11

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	TATA STEEL LIMITED BOMBAY HOUSE, 24-HOMI MODY STREET, FORT, MUMBAI, MAHARASHTRA-400001	L27100MH1907PLC000260	HOLDING	95.01	2(87)

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	NA	0	0	0	NA	-	-	-	0
b) Central Govt	NA	0	0	0	NA	-	-	-	0
c) State Govt (s)	NA	0	0	0	NA	-	-	-	0
d) Bodies Corp.	NA	5,689,601	5,689,601	94.95	NA	5,692,851	5,692,851	95.01	0.06%
e) Banks / FI	NA	0	0	0	NA				
f) Directors	NA	600	600	0.01	NA	600	600	0.01	0
Sub-total(A) (1):-	NA	5,690,201	5,690,201	94.96	NA	5,693,451	5,693,451	95.01	0.06%
(2) Foreign									
a) NRIs - Individuals	NA	0	0	0	NA	0	0	0	0
b) Other – Individuals	NA	0	0	0	NA	0	0	0	0
c) Bodies Corp.	NA	0	0	0	NA	0	0	0	0
d) Banks / FI	NA	0	0	0	NA	0	0	0	0
e) Others	NA	0	0	0	NA	0	0	0	0
Sub-total (A) (2):-	NA	0	0	0	NA	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	NA	5,690,201	5,690,201	94.96	NA	5,693,451	5,693,451	95.01	0.06%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	NA	0	0	0	NA	0	0	0	0
b) Banks / FI	NA	13,318	13,318	0.22	NA	13,318	13,318	0.22	0
c) Central Govt	NA	0	0	0	NA	0	0	0	0
d) State Govt(s)	NA	0	0	0	NA	0	0	0	0
e) Venture Capital Funds	NA	0	0	0	NA	0	0	0	0
f) Insurance Companies	NA	0	0	0	NA	0	0	0	0
g) FIs	NA	0	0	0	NA	0	0	0	0
h) Foreign Venture Capital Funds	NA	0	0	0	NA	0	0	0	0
i) Trusts & Charitable Institutions	NA	4,117	4,117	0.07	NA	4,117	4,117	0.07	0
j) Non Promoter Group Companies	NA	154,156	154,156	2.57	NA	154,156	154,156	2.57	0
Sub-total (B)(1):-	NA	171,591	171,591	2.86	NA	171,591	171,591	2.86	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	NA	17,377	17,377	0.29	NA	17,377	17,377	0.29	0
ii) Overseas	NA	-	-	-	NA	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	NA	112,727	112,727	2	NA	109,477	109,477	2	-2.88%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NA	-	-	-	NA	0	0	0	0
Sub-total (B)(2) :-	0	130,104	130,104	2.17	-	126,854	126,854	2.29	-2.88%
Total Public Shareholding (B)=(B)(1)+(B)(2)	NA	301,695	301,695	5.03	NA	298,445	298,445	5	-2.88%
C. Shares held by Custodian for GDRs & ADRs	NA	0	0	0	NA	0	0	0	0
Grand Total (A+B+C)	NA	5,991,896	5,991,896	100	NA	5,991,896	5,991,896	100	-2.82%

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	
1	Tata Steel Limited	5,689,601	94.95	0	5,692,851	95.01	0	0.06%

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

S. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year				
		No. of Shares	% of total shares of the company	Date	Increase in Holding	Reason	No. of Shares	% of total shares of the company
1	Tata Steel Limited	5,689,601	94.95	25th April 2014	3,250	Transfer	56,92,851	95.01

(iv) Shareholding of Directors and Key Managerial Personnel :

S. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year				
		No. of Shares	% of total shares of the company	Date	Increase/decrease in Shareholding	Reason	No. of Shares	% of total shares of the company
1	Mr. Sunil Bhaskaran	100	0.0017	NA	0	NA	100	0.0017
2	Mr. P K Jha	100	0.0017	NA	0	NA	100	0.0017
3	Mr. D Kumar	100	0.0017	NA	0	NA	100	0.0017
4	Mr. Suresh Kumar	100	0.0017	NA	0	NA	100	0.0017
5	Mr. Peeyush Gupta	100	0.0017	NA	0	NA	100	0.0017
6	Mr. Neeraj Kant	100	0.0017	NA	0	NA	100	0.0017

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

(V) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
(in INR Lakhs)				
Indebtedness at the beginning of the financial year				
i) Principal Amount	641.38	77.97	2,296.01	3,015.36
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i + ii + iii)	641.38	77.97	2,296.01	3,015.36
Change in Indebtedness during the financial year				
Addition	951.79	0.00	0.00	951.79
Reduction	0.00	0.00	(650.00)	(650.00)
Net Change	951.79	0.00	(650.00)	301.79
Indebtedness at the end of the financial year				
i) Principal Amount	1,593.17	77.97	1,646.01	3,317.15
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	1,593.17	77.97	1,646.01	3,317.15

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD /WTD /Manager	Total Amount
		Mr. Neeraj Kant	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		2,845,692
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		3,157,886
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961		0
2	Stock Option		0
3	Sweat Equity		0
4	Commission - as % of profit		0
	Others		230,208
	Total (A)		6,233,786

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

B. Remuneration to other Directors :

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. P K Jha	Mr. Sudev C Das	Ms. Molly Thambi*			
1.	Independent Directors						
	(a) Fee for attending board / committee meetings	110,000	60,000	0			
	(b) Commission	122,951	49,180	0			
	(c) Others, please specify						
	Total (1)	232,951	109,180	0			342,131
2	Other Non-Executive Directors	Mr. Sunil Bhaskaran	Mr. Suresh Kumar	Mr. D Kumar	Mr Peeyush Gupta	Ms. Meena Lall	
	(a) Fee for attending board / committee meetings	80,000	110,000	90,000	10,000	30,000	
	(b) Commission	114,754	106,557	73,770	8,197	24,590	
	(c) Others, please specify						
	Total (2)	194,754	216,557	163,770	18,197	54,590	647,869
	Total (B)=(1+2)						990,000
	Total Managerial Remuneration						7,223,786

* Ms. Molly Thambi has been appointed with effect from 30th March 2015 through circular resolution. As she did not attend any of the meetings held during FY'15, no sitting fees was paid.

C. Remuneration to Key Managerial personnel other than MD/Manager/WTD

The provisions of Key Managerial Personnel are not applicable on the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give details)
A. COMPANY					
Penalty	None	None	None	None	None
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None	None	None	None	None
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None	None	None	None	None
Punishment					
Compounding					

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE INDIAN STEEL AND WIRE PRODUCTS LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of THE INDIAN STEEL AND WIRE PRODUCTS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in term of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 20 to the financial statements
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 302009E)

Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Kolkata, 25th April, 2015

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ANNEXURE TO THE AUDITORS' REPORT

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

Having regard to the nature of the company's business/activities/ results during the year, clauses(ix) and (xi) of paragraph 3 of the Order is not applicable.

- (i) In respect of its fixed assets:
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
 - (a) As explained to us, the inventories were verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of verification of inventory followed by the management were found reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventory and no discrepancies were noticed on verification.
- (iii) The company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties listed in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for purchase of inventory, fixed assets and with regard to the sale of shares and securities. Further, on the basis of our examination, and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete
- (vii) According to the information and explanations given to us in respect of statutory dues
 - (a) The company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, , Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015 account of disputes are given below.

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in lakhs)
Sales Tax Act	Sales Tax	Appellate Tribunal	2004-05	30.73
		Commissioner	2009-10	16.17
		JCCT	2006-07 to 2011-12	241.70
		Deputy Commissioner	2003-2004, 2007-08 to 2009-10	251.23
		Asst. Commissioner	1996-97 to 2000-01 2003-04 to 2010-11	117.42
Excise Duty	Central Excise	Commissioner Excise	1994-95 to 1998-99 2004-05	114.47
		CESTAT, Klokata	2004-05	69.74
Wealth Tax	Wealth Tax	ACIT	1993-94 to 1997-98	390.35

- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956(1 of 1956) and Rules made thereunder.
- (viii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year
- (ix) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 302009E)

Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Kolkata, 25th April, 2015

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Balance Sheet as at 31st March, 2015

Amount in INR

	Note	March 31st, 2015 Audited	March 31st, 2014 Audited
(I) EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	02	5,99,18,960	5,99,18,960
(b) Reserves and surplus	03	46,96,19,600	94,48,77,069
		<u>52,95,38,560</u>	<u>1,00,47,96,029</u>
(2) Non-current liabilities			
(a) Other Non - Current liabilities	6(A)	16,46,00,737	22,96,00,737
(b) Long-term provisions	05	12,34,27,764	8,42,88,928
		<u>28,80,28,501</u>	<u>31,38,89,665</u>
(3) Current liabilities			
(a) Short-term borrowings	04	16,71,13,958	7,19,35,304
(b) Trade & Other payables	6(B)	31,76,71,417	30,65,03,831
(c) Other current liabilities	6(C)	4,67,63,941	3,92,38,945
(d) Short-term provisions	05	1,50,64,096	2,43,69,857
		<u>54,66,13,412</u>	<u>44,20,47,937</u>
		<u>1,36,41,80,473</u>	<u>1,76,07,33,631</u>
TOTAL EQUITY AND LIABILITIES			
(II) ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	07	36,16,78,670	86,63,77,570
(ii) Intangible assets	07	76,66,959	10,67,944
(iii) Capital work-in-progress		4,90,55,462	1,79,37,563
		<u>41,84,01,091</u>	<u>88,53,83,077</u>
(b) Non-current investments	08	6	6
(c) Deferred tax assets (net)	29	1,95,07,241	2,49,83,445
(d) Long-term loans and advances	09	9,76,81,707	8,01,97,398
		<u>53,55,90,045</u>	<u>99,05,63,926</u>
(2) Current assets			
(a) Inventories	10	41,58,82,771	33,90,94,980
(b) Trade receivables	11	29,79,57,343	30,74,14,453
(c) Cash and cash equivalents	12	1,70,56,794	97,72,637
(d) Short-term loans and advances	09	9,67,03,520	11,38,87,635
(e) Other current assets	11 (A)	9,90,000	0
		<u>82,85,90,428</u>	<u>77,01,69,705</u>
		<u>1,36,41,80,473</u>	<u>1,76,07,33,631</u>
TOTAL ASSETS			

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner

Company Secretary

Chief Financial Officer

For and on behalf of the Board of Directors

Chairman

Managing Director

Jamshedpur, April 25th 2015

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

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

		Amount in INR	
	Note	April-March 2015 Audited	April-March 2014 Audited
		2,62,61,44,610	2,39,96,92,748
		11,54,40,599	9,05,92,11,400
I	Revenue from operations (Net)	2,51,07,04,011	2,30,91,00,634
II	Other Income	2,43,51,601	1,67,02,593
III	Total Revenue (I + II)	2,53,50,55,612	2,32,58,03,277
IV	EXPENSES		
(a)	Raw materials consumed	42,04,62,146	18,22,69,735
(b)	Purchase of stock-in-trade (traded goods)	-	5,51,89,390
(c)	Changes in stock of finished goods, work-in-progress and stock-in-trade	(4,56,24,029)	(17,93,485)
(d)	Employee benefit expense	38,77,15,035	35,32,92,419
(e)	Finance costs	1,14,34,505	35,54,416
(f)	Depreciation and amortisation expense	2,37,33,336	5,77,19,591
	Less: Transferred from Revaluation Reserve	-	84,66,688
	Net Depreciation and amortisation expense	2,37,33,336	4,92,52,903
(g)	Other expenses	1,63,09,82,899	1,49,34,51,192
	Total Expenses (IV)	2,42,87,03,892	2,13,52,16,570
V	Profit before exceptional items and tax (III - IV)	10,63,51,720	19,05,86,657
VI	Exceptional items	3,55,85,763	-
VII	Profit before tax (V - VI)	14,19,37,483	19,05,86,657
VIII	Tax Expense		
(1)	Current tax	4,33,04,508	6,53,79,499
(2)	Deferred tax	54,76,204	(599,094)
	Total tax expense	4,87,80,712	6,47,80,405
IX	Profit after tax (VII - VIII)	9,31,56,771	12,58,06,252
X	Earnings per equity share:		
(1)	Basic	15.55	21.00
(2)	Diluted	15.55	21.00
	Amount available for appropriations		
XI	Profit for the period (IX above)	9,31,56,771	12,58,06,252
XII	Add: balance brought forward from last year / (period)	32,19,91,618	19,61,85,366
XIII	Amount carried to Balance Sheet (XI + XII)	41,51,48,389	32,19,91,618

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner

Company Secretary

Chief Financial Officer

For and on behalf of the Board of Directors

Chairman

Managing Director

Jamshedpur, April 25th 2015

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Cash Flow Statement for the year ended 31st March, 2015

Amount in INR

	April - March 2015 Audited	April - March 2014 Audited
A. Cash Flow from Operating activities:		
Profit before taxes	14,19,37,483	19,05,86,657
Adjustments for:		
Depreciation and amortisation expense	2,37,33,336	4,92,52,903
Provision for bad & doubtful debts	16,59,220	4,64,701
Interest Income	(11,53,654)	(20,14,227)
Finance Cost	1,14,34,505	35,54,416
(P)/L on sale of capital assets (net of discarded assets written off)	4,52,975	52,947
Provision for Warranty Claims	41,09,866	53,53,391
Employee Separation Compensation (amortised, net of payments)	26,06,016	4,90,239
Operating profit before working capital changes	18,47,79,747	24,77,41,027
Adjustments for (increase)/decrease in operating assets		
Movements in inventories	(7,67,87,791)	(1,28,32,510)
Movements in trade receivables	77,97,890	(2,56,41,289)
Movements in other current assets	(9,90,000)	-
Movements in short term loans & advances	(3,38,77,973)	(1,16,84,395)
Adjustments for increase/(decrease) in operating liabilities		
Movements in trade Payables	1,11,67,586	(7,88,86,072)
Movements in other current liabilities	43,04,721	1,45,47,857
Movements in short-term provision	(1,60,21,643)	(1,97,80,230)
Movements in other long-term liabilities	-	-
Movements in long-term provisions	3,91,38,836	1,82,29,790
Cash generated from operations	11,95,11,374	13,16,94,178
Direct taxes paid	(6,30,51,786)	(9,66,36,023)
Cash Flow before exceptional item	5,64,59,588	3,50,58,155
Exceptional item	(3,55,85,763)	-
Net cash from operating activities	2,08,73,825	3,50,58,155
B. Cash Flow from Investing activities:		
Purchase of fixed assets	(10,37,07,195)	(4,55,48,090)
Sale of fixed assets	13,57,636	8,09,566
Interest received	11,53,654	20,14,227
Net cash used in investing activities	(10,11,95,905)	(4,27,24,297)
C. Cash Flow from Financing activities :		
Net increase/ (decrease) in short term borrowings	9,51,78,654	(1,47,24,920)
Finance Cost	(1,14,29,833)	(35,51,285)
Interest paid to MSME	(4,672)	(3,131)
Net cash used in financing activities	8,37,44,149	(1,82,79,336)
Net increase / (decrease) in cash or cash equivalents	34,22,069	(2,59,45,478)
Cash & cash equivalents as at 1st April	16,15,350	2,75,60,828
Cash & cash equivalents as at 31st March	50,37,419	16,15,350

Additional information :

- (1) Purchase of fixed assets excludes non cash transaction of Rs. 2,13,32,250 pertaining to Alipore flats. (refer note 31)
- (2) Previous year's figures have been recast/restated where necessary.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner

Company Secretary

Chief Financial Officer

For and on behalf of the Board of Directors

Chairman

Managing Director

Jamshedpur, April 25th 2015

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

01 - Accounting Policies

1. SIGNIFICANT ACCOUNTING POLICIES.

The significant accounting policies have been predominantly presented below in the order of the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014

(a) GENERAL CORPORATE INFORMATION

The Indian Steel & Wire Product Limited ("The Company") is a subsidiary of Tata Steel Limited ("Tata Steel"). The Company has set up its manufacturing facilities at Jamshedpur and has its Registered Office at Kolkata.

The Company is one of the first wire drawing plants established in India in the year 1920. The Wire Unit comprises Wire Rod Mill and Wire Mill. The product portfolio of the Company includes various products like Welding electrodes, GI Wires, Nails, Barbed Wire, Wire Rod and TMT. The Wire division of the company being an External Processing Agent receives conversion charges from Tata Steel. With effect from 01.07.2012, the Company had started a new line of business as a distribution agent of MIG Wire for Tata Steel Wire Division (TSWD). From 01.07.2013 TSWD has exited from the Mig Wire business and the Company is now running this business in its own capacity.

Apart from Wire Unit it has another unit for Steel Roll Manufacturing named Jamshedpur Engineering & Machine Manufacturing Company (JEMCO), pioneer in Industrial Roll and Engineering Casting manufacturing. The Unit produces Iron & Steel Rolls for Integrated Steel Plants and Engineering Castings for Steel Plants, Automobile Industry and Power Plants etc.

(b) BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation as mentioned in note (g) below.

(c) USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(d) INVENTORIES

Finished and semi finished products produced and purchased by the Company are carried at lower of cost and net realisable value.

Raw materials are carried at cost.

Stores and spare parts are valued at or below cost.

Realisable scrap, defectives and Moulds, Tools and Tackles produced in-house are valued at estimated net realisable value.

Cost is ascertained on a moving weighted average basis for raw materials and stores & spare parts. The

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

01 - Accounting Policies continued

cost of finished & semi finished products is determined on full absorption cost basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

(e) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(f) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(g) DEPRECIATION AND AMORTISATION

- (i) Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.
- (ii) Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.
- (iii) Intangible assets are amortised over their estimated useful life prescribed in schedule II to the Companies Act 2013 on straight line method.

(h) REVENUE RECOGNITION

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Income from services

Revenues from conversion services are recognised when services are rendered and related costs are incurred.

Other income

Interest income is accounted on accrual basis.

(i) FIXED ASSETS

Fixed assets, are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

01 - Accounting Policies continued

(j) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies entered into by the company are accounted at the exchange rate prevailing on the date of the transaction or at the rates that closely approximate the rate at the date of the transaction. Monetary items are translated at the year and exchange rates and the profit or loss so determined and also the realized exchange gains/losses are recognized in the Statement of Profit & Loss.

(k) INVESTMENTS

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at lower of the cost and fair value.

(l) EMPLOYEE BENEFITS

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences and post-employment medical benefits.

Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

(m) BORROWING COSTS

Interest and other costs relating to borrowing of funds are recognised as an expense in the period in which they are incurred.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

01 - Accounting Policies continued

(n) SEGMENT REPORTING

The Company has disclosed Business Segment as the primary segment. The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The Company's operations predominantly relate to manufacture of Wire products, Direct business and Rolls.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

"Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors

(o) LEASES

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

(p) EARNING PER SHARE

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

(q) TAXES ON INCOME

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

01 - Accounting Policies continued

(r) IMPAIRMENT OF ASSETS

The carrying amount of fixed assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired.

(s) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

(t) WARRANTY FOR PERFORMANCE OF ROLLS & CASTING

The estimated liability for Rolls & Casting warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

02 - Share Capital

Amount in INR

Authorised :

Ordinary Shares of Rs. 10 each
(31.03.2015 : 70,00,000 Ordinary Shares of Rs. 10 each)

Issued :

Ordinary Shares of Rs. 10 each
(31.03.2015 : 59,91,896 Ordinary Shares of Rs. 10 each)

Subscribed and Paid up:

Ordinary Shares of Rs. 10 each
(31.03.2015 : 59,91,896 Ordinary Shares of Rs. 10 each)

Total Share Capital

March 31st, 2015 Audited	March 31st, 2014 Audited
7,00,00,000	7,00,00,000
<u>7,00,00,000</u>	<u>7,00,00,000</u>
5,99,18,960	5,99,18,960
<u>5,99,18,960</u>	<u>5,99,18,960</u>
<u>5,99,18,960</u>	<u>5,99,18,960</u>

Reconciliation of shares

Ordinary Shares of Rs. 10 each	No. of shares			
	March 31st, 2014	Addition	Deletion	March 31st, 2015
a) Authorized share capital	70,00,000	-	-	70,00,000
b) Issued share capital	59,91,896	-	-	59,91,896
c) Subscribed and fully paid-up	59,91,896	-	-	59,91,896
d) Subscribed and not fully paid-up	-	-	-	-

Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each equity shareholder is eligible for one vote per share held.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholding Pattern

Shareholders holding more than 5% share capital :	March 31st, 2015		March 31st, 2014	
	No. of Shares	%	No. of Shares	%
Tata Steel Ltd. (Holding Company)	56,92,651	95.01%	56,89,401	94.95%

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

03 - Reserves & Surplus

Amount in INR

	March 31st, 2015 Audited	March 31st, 2014 Audited
1. Capital Reserve		
Opening balance	8,000	8,000
Closing balance	8,000	8,000
2. Amalgamation Reserve		
Opening balance	2,76,60,000	2,76,60,000
Closing balance	2,76,60,000	2,76,60,000
3. Revaluation Reserve		
Opening balance	56,84,14,240	57,68,80,928
Less: Depreciation transferred to P&L Account	-	84,66,688
Less : Deletion of Revaluation Reserve (Refer Note 32)	56,84,14,240	-
Closing balance	-	56,84,14,240
4. Investment Allowance (Utilised) Reserve		
Opening balance	2,67,29,960	2,67,29,960
Closing balance	2,67,29,960	2,67,29,960
5. Special Reserve (Machinery Replacement Reserve)		
Opening balance	73,251	73,251
Closing balance	73,251	73,251
6. Statement of Profit & Loss - Surplus		
Opening balance	32,19,91,618	19,61,85,366
Add : Transferred from surplus in Statement of Profit and Loss	9,31,56,771	12,58,06,252
Closing balance	41,51,48,389	32,19,91,618
Total Reserves and Surplus	46,96,19,600	94,48,77,069

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

04 - Short Term Borrowings

Amount in INR

	March 31st, 2015 Audited	March 31st, 2014 Audited
A. Secured Borrowings		
Repayable on Demand		
From Banks		
Cash Credit / Packing Credits (Punjab National Bank : Secured by hypothecation of Finished Goods, Semi Finished Goods, Raw Material, Stores and Spares and Book Debts)	15,93,16,958	6,41,38,304
Total Secured Borrowings	15,93,16,958	6,41,38,304
B Unsecured Borrowings		
Other Loans		
1. Deposit from Anvita Properties Pvt. Ltd. (Developer of erstwhile Promoters)	2,50,000	2,50,000
2. Fixed Deposits of Erstwhile promoters*	75,47,000	75,47,000
Total Unsecured Borrowings	77,97,000	77,97,000
Total Borrowings	16,71,13,958	7,19,35,304

* As per clause 6.5 (b) of BIFR Order, principal is to be repaid in four equal annual instalments, commencing from F.Y. 2006-07. Interest has been waived as per BIFR Order. Accordingly demand drafts aggregating Rs. 19,06,000/- were sent by the company on August 18, 2006 but demand drafts totalling Rs. 18,86,750/- were returned unacknowledged. Subsequently these were deposited in the Company's account in Punjab National Bank on December 19, 2006. On February 11, 2008, the demand drafts aggregating Rs. 37,92,250/- were again sent by the company towards annual instalments for 2006-07 and 2007-08 but demand drafts totalling Rs. 37,73,000/- were returned unacknowledged. These were subsequently deposited in the Company's account in Punjab National Bank on March 27, 2008. The demand drafts aggregating Rs. 56,79,500/- were again sent on November 19, 2008 by the company towards annual instalments for 2006-07, 2007-08 and 2008-09 but demand drafts totalling Rs. 56,60,250/- were returned unacknowledged. These were subsequently deposited in the Company's account in Punjab National Bank on December 15, 2008 for Rs. 38,94,000/- & on December 24, 2008 for Rs. 17,66,250/-. On February 26, 2009, the total amount of Rs. 56,60,250/- was transferred to a new Escrow account with Punjab National Bank. Demand drafts aggregating Rs. 75,66,250/- were sent on January 15, 2010 by the company towards annual instalments for 2006-07, 2007-08, 2008-09 and 2009-10, but demand drafts totalling Rs. 75,47,000/- were returned unacknowledged. These were subsequently deposited in the new Escrow account with Punjab National Bank on February 23, 2010. This amount has been transferred to Fixed Deposit (Escrow A/c) with Punjab National Bank in Dec '10. (Also refer Note 12 - Cash & Cash Equivalents).

Notes forming part of the Financial Statements
05 - Provisions

	March 31st, 2015 Audited				March 31st, 2014 Audited	
	Long Term	Short Term	Total	Long Term	Short Term	Total
(a) Provision for employee benefits						
(1) Post-employment Defined Benefits						
(i) Retiring Gratuity	3,41,58,292	-	3,41,58,292	1,86,75,830	-	1,86,75,830
(ii) Post retirement medical benefits	2,52,44,174	16,07,244	2,68,51,418	1,58,75,464	10,17,859	1,68,93,323
(iii) Other post-employment defined benefits	68,29,834	5,49,630	73,79,464	61,49,774	5,67,807	67,17,581
(2) Leave Benefit Scheme	5,28,66,240	36,05,760	5,64,72,000	4,07,25,442	3,168,430	43,893,872
(b) Provision for employee separation compensation	43,29,224	15,01,152	58,30,376	28,62,418	2,564,238	5,426,656
(c) Provision for tax (Net of Advance tax)	-	-	-	-	-	-
(d) Provision For Warranty Claims	-	78,00,310	78,00,310	-	1,70,51,523	1,70,51,523
Total Provisions	12,34,27,764	1,50,64,096	13,84,91,860	8,42,88,928	2,43,69,857	10,86,58,785

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

06 - Trade and other payables

Amount in INR

	March 31st, 2015 Audited	March 31st, 2014 Audited
6(A) Non-current liabilities		
Other Long Term Liabilities*	16,46,00,737	22,96,00,737
Other non-current liabilities	16,46,00,737	22,96,00,737
6(B) Trade & Other Payables		
(a) Creditors for supplies and services	28,43,36,799	24,65,88,387
(b) Creditors for accrued wages and salaries	3,33,34,618	5,99,15,444
Total Trade Payables	31,76,71,417	30,65,03,831
6(C) Other Current Liabilities		
(a) Advances received from customers	1,75,08,505	1,68,66,776
(b) Creditors for Other liabilities		
(i) Statutory Dues (Excise duty, service tax, sales tax, TDS, Royalty etc)	50,26,032	63,37,098
(ii) Creditors for Capital Supply / Services	42,60,071	10,39,799
(iii) Other Liabilities	1,99,69,333	1,49,95,272
Total Other Current Liabilities	4,67,63,941	3,92,38,945

* Includes Advance against booking of flats and Building development Project Rs. 2,46,00,737/- (31.03.2014: Rs. 8,96,00,737/-) and Security Deposit received from Tata Steel Ltd. for Flats given on lease Rs. 14,00,00,000/- (31.03.2014: Rs. 14,00,00,000/-).

Notes forming part of the financial statements

07 - Fixed Assets

March 31st 2015
Audited

	Land (Freehold)	Buildings (Own use)	Plant & Equipment (Owned)	Furniture & Fixtures (Owned)	Office Equipments (Owned)	Vehicles (Owned)	Railway Sidings (Owned)	Total Tangible Assets	Computer Software (Acquired)	Total Intangible Assets
Cost at beginning of year	46,71,71,417	54,24,37,177	1,56,52,53,076	1,15,53,023	79,61,319	85,45,791	10,12,476	2,60,42,34,579	62,31,374	62,31,374
Re-classification (Transfers in/out)	288,05,477	(298,63,520)	(111,37,448)	(7,68,522)	38,32,342	76,46,704	-	(14,84,967)	14,84,970	14,84,970
Other Adjustment	(46,60,00,000)	(42,43,69,541)	(75,67,90,663)	(11,54,812)	(8,57,846)	(1,69,132)	-	(1,64,93,41,994)	-	-
Additions	20,10,709	2,91,17,219	4,25,52,876	45,63,993	39,47,785	1,00,93,980	-	9,22,86,562	71,18,225	71,18,225
Disposal	-	-	(54,825)	-	-	(99,89,651)	-	(99,44,476)	-	-
Cost at end of year	319,87,903	1173,21,335	8398,23,016	141,93,682	148,83,600	165,27,692	10,12,476	10357,49,704	148,34,569	148,34,569
Depreciation/Amortisation at beginning of year	4,04,040	38,75,15,191	1,32,96,84,072	83,41,495	46,21,751	62,77,985	10,12,476	1,73,78,57,010	51,63,430	51,63,430
Re-classifications (Transfers in / out)	63,87,215	(28,73,393)	(96,55,979)	(19,39,401)	40,43,821	64,84,165	-	24,46,428	11,00,059	11,00,059
Other Adjustment	(1,000)	(32,60,45,696)	(75,25,94,759)	(12,87,432)	(8,42,973)	(1,55,894)	-	(1,08,09,27,754)	-	-
Depreciation during the year	(8,25,139)	(29,58,639)	173,03,551	(11,17,803)	13,64,718	90,62,527	-	2,28,29,215	9,04,121	9,04,121
Accumulated depreciation on assets sold/ written off during the year	-	-	(10,436)	-	-	(81,23,429)	-	(81,33,865)	-	-
Depreciation / Amortisation at the end of the year	59,65,116	5,56,37,463	58,47,26,449	39,96,859	91,87,317	1,35,45,354	10,12,476	67,40,71,034	71,67,610	71,67,610
Netbook value at beginning of year	46,67,67,677	15,49,21,986	23,55,69,004	32,11,528	33,39,568	25,67,806	-	86,63,77,568	10,67,944	10,67,944
Netbook value at end of year	2,60,22,787	616,83,872	2550,96,567	101,96,823	56,96,283	29,82,338	-	3616,78,670	76,66,959	76,66,959

March 31st 2014
Audited

Cost at beginning of year	46,71,71,717	53,76,71,915	1,52,32,58,222	97,17,884	55,76,105	92,09,360	10,12,476	2,55,36,17,679	62,31,374	62,31,374
Additions	-	47,65,262	4,20,50,255	18,35,139	23,85,214	22,50,000	-	532,85,870	-	-
Disposals	-	-	(65,400)	-	-	(26,13,569)	-	(26,68,969)	-	-
Cost at end of year	46,71,71,717	5424,37,177	15652,53,077	115,53,023	79,61,319	88,45,791	10,12,476	26042,34,580	62,31,374	62,31,374
Depreciation / Amortisation at beginning of year	3,63,636	37,54,74,158	1,28,64,87,706	77,28,133	41,60,937	72,19,834	10,12,476	1,68,24,46,880	46,60,423	46,60,423
Charge for the year	40,404	56,33,743	4,11,64,486	6,09,375	4,59,054	8,42,835	-	487,49,897	5,03,007	5,03,007
Disposals	-	-	(21,740)	-	-	(17,84,716)	-	(18,06,456)	-	-
Adjusted during the year	-	64,07,290	20,53,619	3,987	1,760	32	-	84,66,688	-	-
Depreciation/Amortisation at end of year	4,04,040	38,75,15,191	1,32,96,84,071	83,41,495	46,21,751	62,77,985	10,12,476	1,73,78,57,009	51,63,430	51,63,430
Netbook value at beginning of year	46,68,08,081	16,21,97,757	23,67,70,516	19,89,751	14,15,168	19,89,526	-	87,11,70,799	15,70,951	15,70,951
Netbook value at end of year	46,67,67,677	15,49,21,986	23,55,69,006	32,11,528	33,39,568	25,67,806	-	86,63,77,570	10,67,944	10,67,944

Notes :

- Depreciation for the year is net of credit of Rs. 3,99,34,919/- taken due to change in method of depreciation from April 1, 2014. (Also Refer Note-22)
- Cost at the beginning and the end of the year excludes assets transferred as a loan from Tata Steel at NIL value.
- Cost at the beginning and the end of the year excludes assets transferred from Tata Steel (Wire Division).
- Accumulated depreciation for building (Own use) includes depreciation on Allipore Flats Rs. 35,46,487/-. For the current year depreciation is Rs. 3,37,761/-.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

08 - Investments

	Amount in INR					
	March 31st, 2015			March 31st, 2014		
	Audited			Audited		
	Non-current	Current	Total	Non-current	Current	Total
(A) Trade Investments						
(1) Quoted	-	-	-	-	-	-
(2) Unquoted	-	-	-	-	-	-
(B) Other Investments						
(1) Quoted						
(2) Unquoted						
(a) In fully paid Equity Shares						
1,40,280 shares of Rs. 10 each of INCAB Industries Ltd. (pledged with Punjab National Bank) (#)	1	-	1	1	-	1
250 shares of Rs. 100 each in Bihar State Financial Corporation (#)	1	-	1	1	-	1
14,94,900 equity shares of Rs. 10 each in Brahma Steyr Tractors Ltd. (#)	1	-	1	1	-	1
10,66,846 equity shares of Rs. 10 each in Metal Corporation of India Ltd. (#)	1	-	1	1	-	1
(b) In fully paid debentures						
1,400-4% debentures of Rs. 500 each in Assam Bengal Cement Co. Ltd. (in liquidation) (#)	1	-	1	1	-	1
(c) In fully paid preference shares						
2,852 - 5% tax free cumulative preference shares of Rs. 100 each in Metal Corporation of India Ltd. (#)	1	-	1	1	-	1
Total Investments	6	-	6	6	-	6

Book value of each Re. 1/-

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

09 - Loans and Advances

	Amount in INR					
	March 31st, 2015			March 31st, 2014		
	Audited			Audited		
	Long Term	Short Term	Total	Long Term	Short Term	Total
Loans and advances						
(a) Capital advances	1,94,81,961	-	1,94,81,961	217,44,930	-	217,44,930
(b) Advance with public bodies	-	3,79,36,115	3,79,36,115	-	7,39,79,712	7,39,79,712
i). Service tax	-	1,09,84,422	1,09,84,422	-	45,13,289	45,13,289
ii). Excise	-	1,55,89,335	1,55,89,335	-	1,22,93,541	1,22,93,541
iii). Sales tax/Value added tax	-	1,13,62,358	1,13,62,358	-	5,71,72,882	5,71,72,882
(c) Loans and advances to related parties	-	4,42,344	4,42,344	-	87,45,705	87,45,705
(d) Other loans and advances	-	7,50,19,938	7,50,19,938	-	4,78,08,005	4,78,08,005
i). Prepayments	-	71,40,948	71,40,948	-	49,72,443	49,72,443
ii). Advance to suppliers	-	5,30,46,394	5,30,46,394	-	3,83,42,457	3,83,42,457
iii). Others	-	1,48,32,596	1,48,32,596	-	44,93,105	44,93,105
(e) Advance Tax [Net of Provision for Tax of Rs. 35,08,13,073/- (31st Mar 2014-Rs. 30,75,06,977/-)]	9,71,99,746	-	9,71,99,746	7,74,52,468	-	7,74,52,468
Gross Loans and advances	11,66,81,707	11,33,98,397	23,00,80,104	9,91,97,398	13,05,33,422	22,97,30,820
Less: Provision for bad & doubtful loans & advances						
(a) Capital advances	1,90,00,000	-	1,90,00,000	1,90,00,000	-	1,90,00,000
(b) Advance with public bodies	-	-	-	-	-	-
(c) Other loans and advances	-	1,66,94,877	1,66,94,877	-	1,66,45,787	1,66,45,787
Total provision for bad & doubtful loans & advances	1,90,00,000	1,66,94,877	3,56,94,877	1,90,00,000	1,66,45,787	3,56,45,787
Total Loans and advances	9,76,81,707	9,67,03,520	19,43,85,227	8,01,97,398	11,38,87,635	19,40,85,033
Classification of loans and advances						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	9,76,81,707	9,67,03,520	19,43,85,227	8,01,97,398	11,38,87,635	19,40,85,033
Doubtful	1,90,00,000	1,66,94,877	3,56,94,877	1,90,00,000	1,66,45,787	3,56,45,787
Gross Loans and advances	11,66,81,707	11,33,98,397	23,00,80,104	9,91,97,398	13,05,33,422	22,97,30,820

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

10 - Inventories

Amount in INR

	March 31st, 2015 Audited	March 31st, 2014 Audited
(a) Raw materials (At lower of Cost and Net Realisable Value(NRV))	3,30,83,443	2,37,84,363
(b) Work-in-progress and semi-finished goods (At lower of Cost and NRV)	11,88,84,678	9,64,01,079
(c) Finished goods (At lower of Cost and NRV and scrap at NRV)*	4,53,20,844	1,63,98,706
(d) Scraps and Defectives (At Net Realisable Value)	2,31,82,487	2,89,64,193
(e) Stores and spares (at cost less write off for obsolescence)	19,54,11,319	17,35,46,639
Total Inventories	41,58,82,771	33,90,94,980

*Included above, goods-in-transit :

Finished goods	Nil	Nil
----------------	-----	-----

11 - Trade and other receivables

Amount in INR

	March 31st, 2015 Audited	March 31st, 2014 Audited
11 Trade receivables		
(1) Outstanding for a period exceeding six months from the date they were due for payment		
Considered good	2,34,56,869	3,55,91,404
Considered doubtful	1,24,21,280	1,09,11,150
Less : Provision for bad and doubtful debts	1,24,21,280	1,09,11,150
	2,34,56,869	3,55,91,404
(2) Others		
Considered good	27,45,00,474	27,18,23,049
Gross Trade Receivables	31,03,78,623	31,83,25,603
Net Trade Receivables	29,79,57,343	30,74,14,453
Classification of Trade Receivables		
Unsecured, considered good	29,79,57,343	30,74,14,453
Unsecured, considered Doubtful	1,24,21,280	1,09,11,150
Total Trade Receivables	31,03,78,623	31,83,25,603

11(A) - Other Current Assets

Amount in INR

	March 31st, 2015 Audited	March 31st, 2014 Audited
Accrued Rent receivable	9,90,000	—
Total Other Current Assets	9,90,000	—

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

12 - Cash and cash balances

Amount in INR

	March 31st, 2015 Audited	March 31st, 2014 Audited
(a) Cash in hand	1,30,019	1,56,270
(b) Cheques, drafts on hand	48,33,746	3,00,000
(c) Balances with banks		
(i) In Current Account	73,654	5,40,211
(ii) In Deposit Account	-	6,18,869
(iii) In earmarked accounts		
Escrow account with PNB	82,01,970	75,70,007
Margin Money Deposit	38,17,405	5,87,280
Total cash and cash equivalents	1,70,56,794	97,72,637

Additional Details

* Includes Rs. 38,17,405/- (31.03.2014: Rs. 5,87,280/-) as Margin Money Deposit

* Includes Rs. 82,01,970/- (31.03.2014: Rs. 75,70,007/-) in Escrow account with Punjab National Bank. Also refer footnote to Note 4.

Note : Out of the above Rs. 50,37,419/- (31.03.2014: Rs. 16,15,350/-) has been shown as Cash & Cash Equivalent in Cash Flow Statement as per Accounting Standard 3.

13 - Revenue from operations

Amount in INR

	Apr-March 2015 Audited	Apr-March 2014 Audited
(a) Sale of products (Refer Note (i) below)	95,55,05,896	71,63,85,886
(b) Sale of Services (Refer Note (ii) below)	1,40,39,77,682	1,43,75,76,551
(c) Sale of Process & Non-Process Scrap	26,66,61,032	24,57,30,311
Revenue from Operations (Gross)	2,62,61,44,610	2,39,96,92,748
(d) Less : Excise duty	11,54,40,599	9,05,92,114
Revenue from Operations (Net)	2,51,07,04,011	2,30,91,00,634

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

Sale of Products	April 2014 - March 2015		April 2013 - March 2014	
	MT	Amount	MT	Amount
Electrode	1,380	100,853,873	1,512	122,934,525
Mig	2,437	173,108,143	2,098	145,209,651
GI Wire	2,742	159,599,711		
Fastener	221	12,937,401	3	203,821
Rolls	3,433	473,523,967	2716	400,437,135
Castings	245	35,482,801	246	47,600,754
Gross Sale of Products (Inc of Excise Duty)		955,505,896		716,385,886
		-		-
Conversion Income				
Rod	225,357	950,271,103	226,779	1,030,579,332
Wire	43,216	431,914,721	46,961	385,983,230
Zinc	1,651	21,791,858	1,589	21,013,989
		1,403,977,682		1,437,576,551
		-		-
Scrap Sales		266,661,032		245,730,311.00
Revenue from Operations (Gross)		2,626,144,610		2,399,692,748
		-		-
Less : Excise Duty		115,440,599		90,592,114
Revenue from Operations (Net)		2,510,704,011		2,309,100,634

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

14 - Other Income

	Amount in INR	
	Apr-Mar 2015 Audited	Apr-Mar 2014 Audited
(a) Interest Income		
Interest received on deposits	11,53,654	20,14,227
(b) Write back of Liabilities no longer required	22,69,000	—
(c) Miscellaneous Income	2,09,28,947	1,46,88,366
Total Other Income	2,43,51,601	1,67,02,593

15(A)- Raw Material Consumed

	Apr-Mar 2015 Audited	Apr-Mar 2014 Audited
Raw material consumed		
(a) Opening stock	2,37,84,363	1,38,11,547
(b) Add : Purchases	42,97,61,226	19,22,42,551
(c) Less : Closing stock	3,30,83,443	2,37,84,363
Total raw material consumed	42,04,62,146	18,22,69,735

Material Consumed Comprises :

Item	Year ended 31st March 2015	Year ended 31st March 2014
Wire Rod	28,33,10,487	8,28,77,698
Nickel Mg Alloy	3,97,65,451	1,95,52,746
Nickel	2,72,00,457	2,38,55,078
Ferro Moly	2,41,89,784	1,69,49,686
Purchased Roll Scrap	2,33,92,809	1,49,89,495
Steel Scrap	44,95,797	2,19,85,980
Pig Iron	22,67,453	9,54,642
Others	1,58,39,908	11,04,410
	42,04,62,146	18,22,69,735

Notes:

- (i) The consumption figures shown above are after adjusting excesses and shortages ascertained on physical verification counts, unserviceable items etc.
- (ii) Others represent items being dissimilar in nature and it is not practicable to quantify in this regard.

15(B)- Changes in inventories of finished products and work in progress and Stock in trade

	Apr-Mar 2015 Audited	Apr-Mar 2014 Audited
Inventories at the beginning of the period		
(a) Finished products & Scraps	4,53,62,900	2,90,40,532
(b) Work-in-progress	9,64,01,080	9,40,74,241
(c) Stock in trade		1,68,55,722
	14,17,63,980	13,99,70,495
Inventories at the end of the period		
(a) Finished products & Scraps	6,85,03,331	4,53,62,900
(b) Work-in-progress	11,88,84,678	9,64,01,080
(c) Stock in trade		—
	18,73,88,009	14,17,63,980
Net (increase)/decrease	(4,56,24,029)	(17,93,485)

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

16 - Employee Benefit Expense

Amount in INR

	Apr-Mar 2015 Audited	<i>Apr-Mar 2014 Audited</i>
(a) Salaries and wages, including bonus		
(1) Salaries and wages including bonus	29,55,34,089	29,22,84,309
(2) Employee separation compensation	26,06,016	4,90,239
(b) Company's Contribution to provident and other funds (Ref. Note 25)	5,85,99,152	4,42,12,133
(c) Workmen and Staff Welfare expenses	3,09,75,778	1,63,05,738
Total Employee Benefit Expense	<u>38,77,15,035</u>	<u>35,32,92,419</u>

17-Finance costs

Amount in INR

	Apr-Mar 2015 Audited	<i>Apr-Mar 2014 Audited</i>
(a) Interest expense		
Cash Credit A/c	2,420,050	-
Others	4,672	3,131
(b) Other borrowing costs		
Bank Charges	1,517,175	1,131,235
		-
Total finance costs	<u>11,434,505</u>	<u>3,554,416</u>

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

**Notes forming part of the Financial Statements
18 - Other Expenses**

Amount in INR

	April-March 2015 Audited	April-March 2014 Audited
(a) Consumption of stores, spare parts and loose tools	50,06,49,576	48,39,72,373
(b) Consumption of Packing Material	2,48,63,089	3,05,31,166
(c) Repairs to buildings	5,29,34,813	5,47,22,406
(d) Repairs to plant and machinery	7,47,35,826	6,77,71,989
(e) Repairs to others	27,28,098	37,04,119
(f) Power and fuel	59,76,59,218	60,82,24,369
(g) Water	1,29,95,028	1,26,41,845
(h) Rent	13,82,500	4,92,010
(i) Rates and taxes	2,49,29,637	1,38,56,854
(j) Insurance charges	30,43,225	25,77,213
(k) Freight and handling charges	2,34,65,083	1,73,06,360
(l) Travelling, conveyance and car running expenses	1,12,92,588	86,99,223
(m) Legal and other professional costs	48,73,237	43,59,265
(n) Conversion charges	15,53,78,212	9,04,56,247
(o) Sales Commission & Discount	47,97,050	36,76,031
(p) Business promotion	44,00,357	13,90,172
(q) Provision for doubtful debts and advances	16,59,220	4,64,701
(r) Increase / (decrease) of excise duty on inventory	1,05,77,491	43,90,644
(s) Provision for warranty expenses	41,09,866	53,53,391
(t) Expenses towards Corporate Social Responsibility (Refer Note 33)	24,69,280	-
(u) Other expenses	11,28,26,330	7,88,60,814
(1) Director's fee	5,00,000	6,20,000
(2) Loss on sale of tangible fixed assets	4,52,975	52,947
(3) Telephone expenses	32,46,769	22,90,161
(4) Auditors remuneration & out-of-pocket expenses		-
(i) As Auditors - statutory audit	10,00,000	10,00,000
(ii) For other services	1,25,000	-
(iii) Auditors out-of-pocket expenses	16,666	-
(5) Cost auditor's remuneration	1,20,000	90,000
(6) Other General Expenses	10,73,64,920	7,48,07,706
Total Other Expenses	1,63,17,69,724	1,49,34,51,192

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

19 - Exceptional items

Amount in INR

	Apr-Mar 2015 Audited	<i>Apr-Mar 2014 Audited</i>
Exceptional Items		
(a) Consideration received as advance treated as income from Anvita Properties (Refer Note 31)	6,50,00,000	–
(b) Gain on Capitalisation of Alipore Flats (Refer Note 31)	1,77,85,763	–
(c) Sales Tax Expenses for Previous Year [Refer Note 20.(1)(a)]	(4,72,00,000)	–
Total Exceptional Items	3,55,85,763	–

20.1 Contingent Liabilities and Commitments

20.1 (a) Claims against the Company not acknowledged as debt

- (i) As per clause 6.12 (xiii) of BIFR Order dated 21st November, 2003 for all liabilities not disclosed in the audited balance sheet for the year ended 31st March, 2002 including notes on accounts as then would be the personal responsibility of the erstwhile promoters to discharge. In view of the above, the following liabilities which were not disclosed in the said balance sheet including the notes on accounts, have not been provided for or recognized in the accounts for financial years 2003-04 to 2014-15.

Particulars	Mar 31st, 2015 (Rupees)	<i>Mar 31st, 2014 (Rupees)</i>
Show Cause Notices/Demand raised by Central Excise Authorities (Under Appeal)	29,62,013	29,62,013
Demands raised by Sales Tax Authorities (Under Appeal) (a)	0	4,72,07,484
Employee State Insurance demand (Under Appeal)	1,49,06,537	1,49,06,537
Leave liability for ex employees	32,93,000	32,93,000
Labour court cases	1,44,000	1,44,000
Railway dues	4,19,000	4,19,000
Power dues	6,20,97,193	6,20,97,193
Liability for loan for Learjet Aircraft purchase	1,48,78,000	1,48,78,000
Wealth Tax	3,90,34,521	3,90,34,521

- (a) Sales Tax dues for the period prior to takeover (i.e., 23rd December, 2003) were not disclosed in the accounts for the year ended 31st March 2002. This liability was not recognized by the present management but shown as a Contingent Liability in the Notes to Accounts. The Company received the demand from Sales Tax Authorities for these dues pertaining to financial year 1989-90 to 2001-02 for Rs. 4,72,00,000/- against the contingent liability of Rs. 4,72,00,000/-. Accordingly, this amount was charged to the statement of profit and loss for the year ended 31st March, 2015 as exceptional item. This claim has already been lodged with the erstwhile management for recovery.
- (b) The items of contingent liability indicated above are not exhaustive and any other liability which may come to the notice of the present management would also be the personal liability of the erstwhile promoters.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

19 - Exceptional items

(ii) Contingent Liabilities not provided for pertaining to period after take over :

Particulars	31st March 2015 (Rupees)	31st March 2014 (Rupees)
Sales Tax	6,57,25,034	4,52,01,609
Excise Duty	1,54,58,978	1,36,84,240
Employee State Insurance demand (Under Appeal)*	1,73,06,282	1,73,06,282

* Company has received ESI exemption for the year 2014 - 15.

20.1(b) Commitments

Estimated amounts of contracts to be executed on capital account and not provided for as on 31st March'15
Rs. 2,63,55,123 (31st March'14: Rs. 2,68,48,661).

20.2 Claims lodged with erstwhile promoters

- (a) Retiring gratuity dues to the employees separated prior to takeover of the Company by Tata Steel (i.e., 23rd December, 2003) were not disclosed in the accounts for the year ended 31st March, 2002. This liability was not recognised by the present management but shown as a Contingent Liability in the Notes to Accounts. During the year 2008 - 09, management decided to settle the dues to separated employees. Accordingly, Rs. 55,53,803/- was provided in the accounts for the year ended 31st March, 2009 and was included in the line item Employee Cost. This claim has already been lodged with the erstwhile management for recovery.
- (b) Income Tax dues for the period prior to takeover (i.e., 23rd December, 2003) were not disclosed in the accounts for the year ended 31st March 2002. This liability was not recognised by the present management but shown as a Contingent Liability in the Notes to Accounts. During the year 2010-11, the Company received the final order from the Income Tax Authorities for the assessment year 1998-99 for Rs. 2,70,35,565/- against the contingent liability of Rs. 3,05,00,693/-. Accordingly, this amount was charged to the statement of profit and loss for the year ended 31st March, 2011 as a provision for income tax for prior years. This claim has already been lodged with the erstwhile management for recovery.

20.3 There are few Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date. The details are as follows :

Particulars	31st March 2015 (Rupees)	31st March 2014 (Rupees)
Principal amount due to suppliers	2,10,144	0
Interest accrued and due to suppliers on the above amount	1,244	3,131
Payment made to suppliers (other than interest) beyond the appointed date, during the year	8,61,182	13,98,256
Interest paid to suppliers (other than Section 16)	0	0
Interest paid to suppliers (Section 16)	0	0
Interest due and payable to suppliers for payments already made	3,428	3,131
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	4,672	3,131

The information above has been compiled to the best of knowledge and as per the information available with the management to the extent to which parties would be identified as Micro, Small and Medium Enterprises and relied upon by the auditors.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

20.4 (a) CONSUMPTION OF IMPORTED AND INDIGENOUS MATERIALS

	Year ended 31st March, 2015		Year ended 31st March, 2014	
	% of total Consumption	Value Rupees	% of total Consumption	Value Rupees
A. Value of stores & spare parts consumed :				
i) Imported	4	1,97,17,552	5	2,19,84,002
ii) Indigenous	96	48,09,32,024	95	46,19,88,371
B. Value of Raw Material Consumed:				
i) Imported	–	–	–	–
ii) Indigenous	100	42,04,62,146	100	18,22,69,735
C. Value of Imports on CIF basis in respect of :				
Capital goods		804,224		–
Spare Parts		2,04,37,468		77,89,106
D. Expenditure in foreign currency		–		–
E. Earning in foreign exchange		–		–
F. Export of goods on FOB basis		6,34,50,523		5,77,70,537

20.4 (c) PURCHASES OF FINISHED & SEMI-FINISHED PRODUCTS

	Year ended 31st March 2015	Year ended 31st March 2014
	Value	Value
Semi Finished Roll Casting	–	1,79,04,000
MIG wire	–	3,72,85,390

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

- 21 The Company had given residential premises in a building situated at Alipore Road , Kolkata 700 072 for a period of three years commencing from 1st May, 2008 to Tata Steel Limited on operating lease. As stipulated in the lease agreement, the Lessee has given an interest free security deposit of Rs 14,00,00,000/- which is refundable upon expiry of the agreement. The lease agreement had been renewed for a period of 3 years from May'11 at a monthly lease rent of Rs. 1,10,000 per month for the said premises. The lease agreement has expired on 30th April'14. The discussion for the renewal of the lease in accordance with AS -18 (Related party disclosures) are expected to be completed shortly. Monthly lease rent @ Rs.11,000 p.m (Rs. 13,20,000/-) has been considered as rent. This is based on FY'14 rates in the absence of renewed agreement.

Long Term liabilities include deposits of **Rs. 14,00,00,000** received from Tata Steel (Previous year Rs. 14,00,00,000)

- 22 During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company changed its method of depreciation for certain categories of fixed assets from written down value (WDV) method to straight line method (SLM). Consequent to this change, all assets are now being depreciated under SLM. The Company also revised the estimated useful life of its assets to align the useful life with those specified in Schedule II. Further, assets individually costing Rs. 5,000/- or less that were depreciated fully in the year of purchase are now depreciated based on the useful life considered by the Company for the respective category of assets. The details of previously applied depreciation method, rates / useful life are as follows :

Asset	Previous depreciation method	Previous depreciation rate / useful life	Revised useful life based on SLM
Factory Buildings	WDV	10% / ~ 28 years	30 years
Computers and Data Processing Equipment	WDV	40% / ~ 6 years	3 years
General Plant and Machinery	WDV	13.91% / ~ 20 years	15 years
Furniture and Fixtures	SLM	6.33% / ~ 15 years	10 years
Vehicles	SLM	15% / ~ 6 years	8 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets (determined after considering the change in the method of depreciation from WDV to SLM), net of residual value as applicable, where the remaining useful life of the asset was determined to be nil as on April 1, 2014.

The depreciation expense in the Statement of Profit and Loss for the year is lower by Rs. 3,99,34,965/-, consequent to the above change in the method of depreciation .

The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs. 80,87,691/- consequent to the change in the useful life of the assets.

- 23 Out of the total investments of Rs. 29,559,012, the following share certificates are not physically available.

a) 946,680 shares of Metal Corporation of India Ltd.	9,466,800
b) 1,494,900 shares of Brahma Steyr Tractors Ltd.	14,949,000

The value of all such investments has been written down to Re. 1/- each.

24. As the Company has no management control over M/s. Metal Corporation of India Ltd., an associate of the Company, the Consolidated Financial Statements are not prepared for the year ended 31st March, 2015.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

25. Disclosure relating to Accounting Standard AS 15

- 1 The company has recognized, in the profit and loss account for the current year, an amount of **Rs. 2,08,81,781/-** (2013-14 : Rs 2,20,12,310/-) as expenses under the following defined contribution plans.

Benefit (Contribution to)	2014-15 (Amount)	<i>2013-14 (Amount)</i>
Provident Fund	1,13,68,254	1,54,74,303
Superannuation Fund	18,72,289	17,64,672
Employees Pension Scheme	76,41,238	47,73,335
Total	<u>2,08,81,781</u>	<u>2,20,12,310</u>

- 2 The company operates post retirement defined benefit plans as follows :

- a. Funded
Post Retirement Gratuity
- b. Unfunded :
Post Retirement Medical Benefits

2(a) Details of the Post Retirement Gratuity plan are as follows

Description	2014-15 (Amount)	<i>2013-14 (Amount)</i>
1 Reconciliation of opening & closing balances of obligation		
a. Obligation as at the beginning of the year	15,19,61,570	13,99,79,920
b. Current Service Cost	81,29,820	74,60,920
c. Interest Cost	1,28,84,600	1,03,14,070
d. Actuarial (gain)/loss	2,37,06,980	1,63,14,640
e. Amortization of Past Service Cost	-	-
f. Acquisitions	-	-
g. Benefits paid	(2,53,37,190)	(2,21,07,980)
h. Obligation as at the end of the year	17,13,45,780	15,19,61,570

The defined benefit obligation as at 31.03.2014 is Partly funded

2 Change in Plan Assets

(Reconciliation of Opening & Closing balances)

a. Fair Value of plan assets as at the beginning of the year	13,32,85,740	12,51,16,540
b. Expected return on plan assets	1,16,95,960	1,10,01,980
c. Actuarial gain/(loss)	(9,01,280)	29,11,820
d. Contributions	1,86,75,830	1,63,63,380
e. Acquisitions	-	-
f. Benefits paid	(2,53,37,190)	(2,21,07,980)
g. Fair Value of plan assets as at the end of the year	13,74,19,060	13,32,85,740

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

	2014-15 (Amount)	<i>2013-14</i> <i>(Amount)</i>
3 Reconciliation of fair value of assets and obligations		
a. Fair value of plan assets as at the end of the year	13,74,19,060	13,32,85,740
b. Present value of obligation as at the end of the year	17,13,45,780	15,19,61,570
c. Amount recognized in the balance sheet	3,39,26,720	1,86,75,830
4 Expense recognized in the period		
a. Current service cost	81,29,820	74,60,920
b. Interest cost	1,28,84,600	1,03,14,070
c. Expected return on plan assets	(1,16,95,960)	(1,10,01,980)
d. Actuarial (gain)/loss	2,46,08,260	1,34,02,820
e. Amortization of Past Service Cost	-	-
f. Expense recognized in the period	3,39,26,720	2,01,75,830
The expense is disclosed in the line item – Employee Cost.		
5. Assumptions	31.3.2015	31.3.2014
a. Discount rate (per annum)	7.80%	9.25%
b. Estimated rate of return on plan assets (per annum)	9.00%	9.00%
c. Rate of escalation in salary (per annum)	7.0% to 10%	7.5% to 10%

6. Information for current Financial Year and Previous Financial Years

	2014-15 (Amount)	2013-14 (Amount)	2012-13 (Amount)	2011-12 (Amount)	2010-11 (Amount)
I.					
a) Present value of defined benefit obligation	(17,13,45,780)	(15,19,61,570)	(13,99,79,920)	(12,46,46,650)	(10,91,68,260)
b) Fair value of Plan Assets	13,74,19,060	13,32,85,740	12,51,16,540	10,51,90,760	9,77,30,630
c) Surplus/(Deficit) in Plan Assets	(3,39,26,720)	(1,86,75,830)	(1,48,63,380)	(1,94,55,890)	(1,14,37,630)
II					
a) Experience Adjustment on plan liabilities	(35,35,300)	(3,75,69,850)	(21,65,740)	(58,43,950)	(46,17,170)
b) Experience Adjustment on plan assets	(9,01,280)	29,11,820	(16,65,090)	(23,86,220)	(9,19,970)
III.					
a) Actual gain/(losses) on change in assumptions	(2,01,71,680)	2,12,55,210	(54,73,700)	(59,30,600)	(10,86,890)
IV.					
Expected contribution (best estimate) to funded plans in subsequent fin. Year	(3,39,26,720)	(1,86,75,830)	(1,48,63,380)	(1,94,55,890)	(1,14,37,630)

The basis used to determine overall expected rate of return on assets and the effect on major categories of plan assets is as follows :

- (i) The major portions of the assets are invested in PSU bonds, Private Sector unit Bond and State / Central Govt. guaranteed securities. Based on the asset allocation and prevailing yield rates on these asset classes, the long term estimate of the expected rate of return on the fund assets have been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government bonds.
- (ii) The company has decided to adopt the group gratuity scheme offered by M/s Life Insurance Corporation of India (LIC) from January 1st, 2012.
- (iii) The estimates of future salary increases take into account inflation, seniority, promotion and other relevant factor.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

25. Disclosure relating to Accounting Standard AS 15 (Contd.)

2(b) Details of unfunded post retirement defined benefits obligations are as follows :

Description	2014-15	2014-15	2013-14	2013-14
	(Amount) Medical	(Amount) Others	(Amount) Medical	(Amount) Others
1 Reconciliation of opening and closing balances of obligation				
a. Obligation as at the beginning of the year	1,68,93,323	67,17,581	2,27,50,202	76,85,731
b. Current/Employer Service Cost	3,17,500	-	5,34,560	-
c. Interest Cost	14,95,033	5,94,981	17,81,584	5,92,051
d. Actuarial (gain)/loss	96,07,123	6,37,142	(72,12,234)	(9,89,960)
e. Benefits paid	(14,60,561)	(5,70,240)	(9,60,789)	(5,70,240)
f. Obligation as at the end of the year	2,68,52,418	73,79,464	1,68,93,323	67,17,582
2. Expense recognized in the period				
a. Current /Employer service cost	3,17,500	-	5,34,560	-
b. Interest cost	14,95,033	5,94,981	17,81,584	5,92,051
c. Actuarial (gain)/loss	96,07,123	6,37,142	(72,12,234)	(9,89,960)
d. Expense recognized in the period	1,14,19,656	12,32,123	(48,96,090)	(3,97,909)
The net charge is disclosed under the line item – Misc. Expenses.				
3. Assumptions				
a. Discount rate (per annum) as at the beginning of the year	9.25%	9.25%	8.00%	8.00%
b. Discount rate (per annum) as at the end of the year	7.80%	7.80%	9.25%	9.25%
c. Medical costs inflation rate	6.00%		6.00%	
d. Average medical cost (Rs/person) as at the beginning of the year	3148		2319	
e. Average medical cost (Rs/person) as at the end of the year	2266		3148	

Description	2014-15 Medical	2013-14 Medical	2012-13 Medical	2011-12 Medical	2010-11 Medical
4. Information for current Financial Year and Previous 4 Financial years					
I. a. Present value of defined benefit obligation	2,42,96,981	(1,68,93,323)	(2,27,50,202)	(1,86,01,760)	(1,62,10,190)
b. Fair value of Plan Assets	-	-	-	-	-
c. Surplus/(Deficit) in plan assets	(2,42,96,981)	1,68,93,323	2,27,50,202	(1,86,01,760)	(1,62,10,190)
II. a. Experience Adjustment on plan liabilities	(54,97,740)	(10,43,720)	(15,77,372)	(57,07,540)	(40,32,430)
b. Experience Adjustment on plan assets	-	-	-	-	-
III. a. Actuarial gains/(losses) on change in assumptions	(41,09,384)	82,55,954	(15,14,220)	42,18,000	-
IV. Expected contribution (best estimate) to funded plans in subsequent financial year	-	-	-	-	-

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

26. Segment Disclosures

Information about Primary Business Segments:

Particulars	Business Segments				Total
	Wire	Rolls	Direct Business	Unallocable	
Revenue :					
External Sales	1,75,05,98,053	50,07,25,706	25,93,80,251	-	2,51,07,04,010
	1,63,66,45,858	43,36,26,015	23,88,28,761	-	2,30,91,00,634
Total External Sales	1,75,05,98,053	50,07,25,706	25,93,80,251	-	2,51,07,04,010
	1,63,66,45,858	43,36,26,015	23,88,28,761	-	2,30,91,00,634
Add : Inter Segment Sales	7,63,93,510	73,62,010	-	-	8,37,55,520
	3,18,19,868	53,77,766	-	-	3,71,97,634
Total Revenue	1,82,69,91,563	50,80,87,716	25,93,80,251	-	2,59,44,59,530
	1,66,84,65,726	43,90,03,781	23,88,28,761	-	2,34,62,98,268
Less : Inter Segment Sales	7,63,93,510	73,62,010	-	-	8,37,55,520
	3,18,19,868	53,77,766	-	-	3,71,97,634
Total Sales	1,75,05,98,053	50,07,25,706	25,93,80,251	-	2,51,07,04,010
	1,63,66,45,858	43,36,26,015	23,88,28,761	-	2,30,91,00,634
Segment result before Interest, exceptional/ extraordinary items, prior period items and tax	99,740,685	74,701,993	(29,069,071)	(27,587,382)	117,786,225
	11,08,78,222	1,65,40,157	7,87,84,919	(1,20,62,225)	19,41,41,073
Less : Interest					1,14,34,505
					35,54,416
Profit/(Loss) Before Taxes, Exceptional Items and Prior Period Items					10,63,51,720
					19,05,86,657
Extraordinary items					3,55,85,763
					-
Profit/(Loss) before Tax					14,19,37,483
					19,05,86,657
Current Tax					4,33,04,508
					6,53,79,499
Deferred Tax					54,76,204
					(5,99,094)
Profit/(Loss) after Tax					9,31,56,771
					12,58,06,252
Segment Assets	724,959,665	431,618,144	90,895,671	116,706,993	1,364,180,473
	1,17,20,92,630	43,50,99,925	5,02,30,716	13,03,45,925	1,78,77,69,196
Segment Liabilities	46,48,64,458	15,53,73,298	4,98,03,420	16,46,00,737	83,46,41,913
	41,82,70,785	12,18,77,989	-	54,26,656	54,55,75,430
Total Cost Incurred during the period to acquire segment assets	12,75,19,110	30,03,576	-	-	13,05,22,686
	4,05,27,222	50,20,868	-	-	4,55,48,090
Segment Depreciation	4,86,61,188	(2,49,27,852)	-	-	2,37,33,336
	3,91,76,824	99,85,297	-	90,782	4,92,52,903
Non-Cash Expenses other than depreciation	23,22,125	60,52,977	-	-	83,75,102
	4,19,791	58,88,540	-	-	63,08,331

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

Notes :

- (i) Segment Revenue, Segment Results, Segment Capital employed includes the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that can not be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.
- (ii) There is no significant difference in the business conditions prevailing in various states of India, where the company has its operations. Revenue from sales to external customers outside India is less than 10% of the company's total revenue. Hence, geographical segment disclosures are not considered necessary.
- (iii) Transactions between segments are primarily for materials which are transferred at market determined prices and common costs are apportioned on a reasonable basis.
- (iv) Figures not in bold pertain to the previous year.

27. Related Party Disclosure :

a. List of Related Parties and Relationships :	
A. Party	Relationship
Tata Steel Limited	Holding Company
TM International Logistics Ltd.	Fellow Subsidiary
Jamshedpur Utilities and Services Company Ltd.	Fellow Subsidiary
Tayo Rolls Limited	Fellow Subsidiary
TKM Global Logistics Limited	Fellow Subsidiary
Tata Pigments Limited	Fellow Subsidiary
Tinplate Company of India Limited	Fellow Subsidiary

B. Key Management Personnel	
Mr. Neeraj Kant	Managing Director

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

(b) Related Party Transactions during the period

Sl. No.	Transaction	Holding Company	Fellow Subsidiary	Key Management Personnel
1	Purchase of Goods :			
(i)	Tata Steel Limited	161,274,940 107,569,018		
(ii)	Tayo Rolls Limited		– 7,092,927	
2	Purchase of Fixed Assets			
3	Sale of Goods :			
(i)	Tata Steel Limited	264,680,595 94,142,592		
(ii)	Jamshedpur Utilities and Services Company Limited		29,491 659,551	
(iii)	Tata Pigments Limited		17,461 138,958	
4	Sale of assets			
5	Lease rent for flats at Alipore			
	Tata Steel Limited	330,000 1,320,000		
6	Rendering of services:			
(i)	Tata Steel Limited	1,268,703,754 1,301,075,213		
7	Rental Income (Guest House)			
8	Receiving of services :			
(i)	Tata Steel Limited	297,035,498 249,780,314		
(ii)	TM International Logistics Limited		530,484 367,362	
(iii)	Jamshedpur Utilities and Services Company Limited		7,696,660 7,789,729	
(iv)	Tayo		1,202,001 –	
(v)	Tata Pigments Limited		9,088,496 6,930,222	

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

(b) Related Party Transactions during the period (Contd.)

Sl. No.	Transaction	Holding Company	Fellow Subsidiary	Key Management Personnel
(vi)	Tinplate Company of India Limited		43,120 41,031	
9	Interest paid during the year			
10	Outstanding receivables as on 31.03.2015:			
(i)	Tata Steel Limited	15,36,83,877 18,01,13,320		
(ii)	Jamshedpur Utilities and Services Company Limited		– 28,160	
(iii)	Tayo Rolls Limited		6,04,800 10,65,760	
(iv)	Tata Pigments Limited		17,461 67,466	
(v)	TM International Logistics Limited		– 27,146	
11	Advance receivable			
(i)	Tata Steel Limited	4,42,344 87,45,705		
12	Credit balances outstanding as on 31.03.2015 :			
a.	Materials & Services			
(i)	Tata Steel Limited	4,69,82,582 4,38,99,206		
(ii)	Jamshedpur Utilities and Services Company Limited		13,25,590 15,39,332	
(iii)	Tayo Rolls Limited		3,44,204 50,960	
(iv)	Tata Pigments Limited		1,30,234 15,09,979	
(v)	Tinplate Company of India Limited		– 16,192	
b.	Against Finance			
c.	Against lease (flat)			
(i)	Tata Steel Limited	14,00,00,000 14,00,00,000		
d.	Against bills (Conversion) charges			
13	Managerial Remuneration paid Managing Director			62,33,786 72,52,125

Note : Figures not in bold pertains to the previous year

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

Notes forming part of the Financial Statements

28. Earning per Share (EPS) :

	Year ended 31.03.2015 Rupees	Year ended 31.03.2014 Rupees
(i) Profit after tax attributable to equity shareholders	9,31,56,771	12,58,06,252
	Numbers	Numbers
(ii) Weighted average number of Equity shares of Rs. 10 each for basic and diluted EPS	59,91,896	59,91,896
(iii) Basic/diluted Earnings per Equity Share (Rs./Share)	15.55	21.00

29. Deferred Tax (Liability) / Assets

Composition of Deferred Tax Assets and Liabilities is as follows:

	As at 31st March 2015 Rupees	As at 31st March 2014 Rupees
a. Deferred Tax Assets		
i. ESS Compensation	35,19,612	37,41,734
ii. Provision for Doubtful Debts & Advances	66,65,341	61,25,695
iii. Provision for Leave Salary	1,89,59,213	1,46,05,923
iv. Difference between book and tax depreciation		5,10,093
b. Deferred Tax Liabilities		
Difference between book and tax depreciation	96,36,925	–
Deferred Tax Assets (Net)	1,95,07,241	2,49,83,445

The Company has recognised Deferred tax assets for timing differences of items as virtual certainty exists that sufficient future taxable income will be available against which these can be realised. The Company does not have any unabsorbed depreciation or carry forward of losses under the tax laws.

30 Disclosure under AS-29 of ICAI

In accordance with the Accounting Standard 29, Provision, Contingent Liability and Contingent Assets, the movement in provision for warranty, is as indicated below:

	As at 31st March 2015 Rupees	As at 31st March 2014 Rupees
Opening Balance	1,70,51,523	1,95,19,848
Add : Provision made during the period	41,09,866	53,53,391
Less : Claims accepted	1,10,92,078	78,21,716
Less : Provision no longer required written back	22,69,000	–
Closing Balance	78,00,310	1,70,51,523

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

- 31 The Company had entered into a development agreement in 1995 under which it had received certain flats besides cash component of Rs 6,50,00,000/- lakhs in exchange of surrendering the right over a portion of land owned by the Company.

As the Company was under the Board for Industrial & Financial Reconstruction ("BIFR") during the period from F.Y. 2003 to F.Y. 2014, the Company obtained a legal advice to account for the constructed flats after the Company comes out of BIFR, as per the Scheme sanctioned by the hon'ble BIFR.

Consequent to the Company coming out of BIFR and ensuring absence of any obligatory commitment, the transaction of flats handed over to the Company in the year 2003-04 has been now accounted for as a fixed asset of the Company. The fair value of the flats during the year 2003-04 ascertained at Rs 2,13,32,250/- (excluding depreciation thereon up to 31st March, 2014 of Rs 35,46,487/-) and the cash consideration of Rs 6,50,00,000/- lakhs have been accounted for as an exceptional income in the current year.

- 32 The Company, vide order no 122/2001 dated 21/11/2003, was declared as Sick Company under The Sick Industrial Companies (Special Provisions) Act, 1985 by the Board for Industrial & Financial Reconstruction ("BIFR") and handed over to Tata Steel Limited for its reconstruction. Net assets and Liabilities (net of respective reserves) were transferred to the Company. The Company was under BIFR during the period from 1st April, 2002 to 31st March, 2013.

Consequent to the Company coming out of BIFR, as at April 1, 2014, the Company has adjusted the carrying value of revaluation reserve against the corresponding value of its fixed assets as intended by BIFR.

Accordingly, Revaluation Reserve of Rs 56,84,14,240/- (including Rs. 46,60,00,000/- towards revaluation of land) as at April 1, 2014 has been adjusted against the respective fixed assets of the company. Consequent impact on Statement of Profit and Loss for the year ended March 31, 2015 is nil.

- 33 The Company has a total eligible spend of Rs 48,61,855 towards CSR as per section 135 of the Companies Act 2013. Of this the Company has spent Rs 9,58,790 towards capital items and Rs. 24,69,280 towards non-capital item.
- 34 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

THE INDIAN STEEL & WIRE PRODUCTS LIMITED

ABSTRACT OF THE BALANCE SHEET AS AT 31-03-2015 AND COMPANY'S GENERAL BUSINESS PROFILE AS PER PART IV OF SCHEDULE VI (AMENDED) TO THE COMPANIES ACT, 2013.

1.	Registration Details			
	Registration No	8447	State Code	21
	Balance Sheet Date	31-03-2015		
2.	Capital Raised during the year (Amount in Rs. Thousand)			
	Public Issue	NIL	Right Issue	NIL
	Bonus Issue	NIL	Private Placement	NIL
3.	Position of Mobilization and Deployment of Fund (Amount in Rs. Thousand)			
	Total Liabilities	13641,80	Total Assets	13641,80
	Sources of Fund			
	Paid up Capital	599,19	Reserves & Surplus	4696,20
	Secured Loans	1593,17	Unsecured Loans	7,797
	Application of Funds			
	Net Fixed Assets	4184,01	Investment	–
	Net Current Assets	2,81,977	Misc. Expenses	–
	Accumulated Profits/(Losses)	4151,48		
4.	Performance of Company (Amount in Rs. Thousand)			
	Turnover	25350,56	Total Expenditure	24287,04
	Extra Ordinary Items	Nil	Profit/(Loss) After Tax	931,57
	Profit/(Loss) Before Tax	1418,37	Dividend Rate %	NIL
5.	Generic Names of Principal Products of the Company (as per monetary terms)			
	Item Code No.	84553000		
	(ITC Code)			
	Product	R O L L S		
	Description			
	Item Code No.	72171220		
	(ITC Code)			
	Product	W I R E S		
	Description			
	Item Code No.	73259920		
	(ITC Code)			
	Product	STEEL CASTINGS		
	Description			
	Item Code No.	73259910		
	(ITC Code)			
	Product	IRON CASTINGS		
	Description			



The Indian Steel & Wire Products Limited

(A Subsidiary of **TATA** Steel Limited)

7, Red Cross Place, Kolkata - 700 001

