

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2017-18

1) CORPORATE INSOLVENCY RESOLUTION PROCESS

Monnet Ispat & Energy Limited was undergoing the insolvency resolution process under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). The insolvency resolution process of the Company began on 18th July, 2017. During the said process, the powers of the Board of Directors of the Company were suspended and were being exercised by the Resolution Professional (RP) duly appointed by the Adjudicating Authority which in this case is NCLT, Mumbai. The Company continued to operate as a going concern and while the RP managed the affairs of the Company from the initiation of CIRP Proceeding till the approval of Resolution Plan. The control/business decisions were taken by the Committee of Creditors of the Company comprising of all the financial creditors. In the instant case, Mr. Sumit Binani was appointed as the RP and the Committee of Creditors comprises of 38 lenders of the Company.

As a part of the duty prescribed under the Code, the RP invited Expression of Interest (EOI) and submission of resolution plan in accordance with the provisions of the IBC. The resolution plan (as amended and supplemented) submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited ("**Resolution Applicants**") was approved by the committee of creditors of the Company. The RP submitted the CoC approved resolution plan to the Hon'ble National Company Law Tribunal ("NCLT") on April 12, 2018 for its approval and the NCLT approved the resolution plan submitted by the consortium with certain modifications ("**Resolution Plan**") on 24th July, 2018.

Pursuant to, and in accordance with the implementation of the Final Resolution Plan, the existing board of directors of the Company have been deemed to have resigned and the steering committee of the Company appointed Mr. Sumit Binani, Mrs. Anuradha Ambar Bajpai and Mr. Jyotin Kantilal Mehta, Directors of the Company till the Completion of acquisition of Control over the Company by the Resolution Applicant as contemplated in the Resolution Plan.

The implementation of the resolution plan has resulted in the following

- (a) Extinguishment of 5,07,32,841 equity shares of Rs. 10 each and 1,75,00,000 preference shares of Rs. 100 each held by the erstwhile promoters.
- (b) Reduction in the face value of the balance 36,52,33,620 equity shares (including the equity shares issued under (c) and (d) below) held by the non-promoter equity shareholders to Rs. 3.30 per share and their consolidation into 12,05,27,534 equity shares of Rs. 10 each.
- (c) Settlement of debts of financial creditors amounting to Rs. 10,247.86 crores, partly by issue of 20,00,56,892 equity shares of Rs. 10 each, partly by cash payment of Rs. 2,457.00 crores, and partly by the effective purchase of the remaining debt, (on deemed conversion into Optionally Convertible Preference shares), for a sum of Rs. 199.85 crores by a company of the consortium, Milloret Steel Limited (MSL).
- (d) Settlement of corporate guarantees issued to financial creditors amounting to Rs 767.05 crores, partly by issue of 1,51,41,327 equity shares of Rs. 10 each and cash payment of Rs. 20.07 crores.
- (e) Settlement of operational creditors, (other than employees and workmen), amounting to Rs. 114.81 crores for a sum of Rs. 25 crores payable by the Company within one year from the NCLT Order date.
- (f) Extinguishment of other current and non-current liabilities amounting to Rs. 128.36 crores standing as on the NCLT Order date.
- (g) Extinguishment of all contingent liabilities, commitments and other claims and obligations including all taxes and other government dues standing as on the effective date (i.e. 31 August 2018).
- (h) Merger of MSL into the Company, resulting in the extinguishment of the deemed Optionally Convertible Preference shares, contemporaneously with (c) above. The shareholders of MSL were issued 34,90,20,000 equity shares of Rs 10 each and 52,59,80,000 Compulsorily Convertible preference shares of Rs 10 each.

Upon implementation of the Resolution Plan, the Resolution Applicants comprising of a consortium of JSW Steel Limited and AION Investments Private II Limited (directly and through their affiliates) took control over the management and ownership of the Company.

2) BOARD OF DIRECTORS

A. Composition & Category of Directors

During the year, Corporate Insolvency Resolution Process was initiated in respect of the Company, vide order of the Hon'ble National Company Law Tribunal, Mumbai Bench dated 18th July, 2017, under Insolvency & bankruptcy Code, 2016. During the pendency of the proceedings, the powers of board of directors of the Company were suspended and all of the powers of the board were instead exercised by Mr. Sumit Binani, Resolution Professional appointed for the Company. The Corporate Insolvency Resolution Process came to an end on 24th July, 2018.

Pursuant to completion of Corporate Insolvency Resolution Process, on 24th July, 2018, Board of Directors of the Company was re-constituted and erstwhile Board of Directors were deemed to have resigned.

As on date, the Board of Directors consists of the following Directors:

1. Mrs. Anuradha Ambar Bajpai
2. Mr. Jyotin Kantilal Mehta
3. Mr. Kalpesh Pankaj Kikani
4. Mr. Nikhil Omprakash Gahrotra
5. Mr. Ravichandar Moorthy Dhakshana
6. Mr. Seshagiri Rao MVS
7. Mr. Sanjay Kumar
8. Mrs. Sutapa Banerjee

As on 31st March, 2018, the Board consists of three Directors with blend of Executive and Non-Executive Independent Directors.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018 dated 31st May, 2018, the provisions as specified in regulation 17 shall not be applicable during the insolvency resolution process period in respect of a listed entity which is undergoing corporate insolvency resolution process under the Insolvency Code. However, the role and responsibilities of the board of directors as specified under regulation 17 shall be fulfilled by the Interim Resolution Professional or Resolution Professional in accordance with sections 17 and 23 of the Insolvency Code.

The details of each member of the Board along with the number of Directorship/Committee Membership in other Companies as at March 31, 2018 are as follows

| Name of directors | Category | Designation | No. of Directorships in other public companies | No. of Committee Memberships and Chairmanship in other Companies | |
|---------------------------------------|-------------------------------------|--|--|--|--------|
| | | | | Chairman | Member |
| Sandeep Kumar Jajodia DIN-00082869 | Promoter- Non Independent Executive | Chairman & Managing Director & Chief Executive Officer | 3 | 0 | 0 |
| Jagdamba Prasad Lath DIN-00380076 | Non Independent Non-Executive | Director | 6 | 2 | 4 |
| Kunal Sharma DIN: 07731660 | Independent Non-Executive | Director | 1 | 0 | 0 |

Notes:

- The Committees considered for the purpose are those prescribed under Regulation 26 of the SEBI LODR Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies (excluding Monnet Ispat & Energy Limited).
- Directorships in other public Companies and Committee Memberships details are based on the disclosures received from

the directors, as on March 31, 2018.

- *Directorship in other Companies excludes Private Limited Companies, Foreign Companies and Membership of Companies under Section 8 of the Companies Act, 2013.*

B. Attendance of Directors

Corporate Insolvency Resolution Process (CIRP) initiated in respect of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 ('Code') by an order of the National Company Law Tribunal with effect from 18th July, 2017. As per Section 17 of the Code, upon appointment of the Resolution Professional, the powers of the Board of Directors stands suspended and such powers were exercised by the Resolution Professional appointed for the Company. Hence, no board meeting was held after NCLT order dated 18th July, 2017.

The details of attendance of Directors at the Board Meetings and Annual General Meeting held during the year ended March 31, 2018 are given below :—

| Name of Director(s) | May 30, 2017 | July 11, 2017 | Whether attended AGM held on 28th September 2017 |
|--|--------------|---------------|--|
| Sandeep Kumar Jajodia DIN: 00082869 | P | P | A |
| Suman Jyoti Khaitan* DIN: 00023370 | P | P | A |
| Jagdamba Prasad Lath DIN: 00380076 | P | P | P |
| Shantanu Prasad* DIN: 06972253 | P | A | - |
| Kunal Sharma DIN: 07731660 | P | P | A |
| Ankita Wadhawan* DIN: 06971383 | P | P | A |

***Mr. Shantanu Prasad, Ms. Ankita wadhawan and Mr. Suman Jyoti Khaitan resigned from the directorship of the Company w.e.f. 05.08.2017, 29.12.2017 and 06.02.2018 respectively.**

Note:

- Video conferencing (VC)/tele-conferencing (TC) facilities are also used to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings.
- "A" denotes Absence and "P" denotes Presence in the meeting.

- C. During the year, two meetings of Board of Directors were held on 30.05.2017 and 11.07.2017. In view of commencement of CIRP, on 18th July, 2017, there was no meeting of Board of Directors of the Company after the aforesaid date.
- D. In compliance with SS-1, Secretarial Standard on Board Meeting, issued by the Institute of Company Secretaries of India, the meetings of the Board are governed by a structured agenda for facilitating meaningful and focused discussion at the meeting.
- E. In compliance with LODR Regulations, Directors, Key Managerial Personnel (KMP) and members of Senior Management of the Company, confirm their material interest in any transactions, directly affecting the Company.
- F. Information placed before the Board:
Necessary information, as required under the Act and LODR Regulations, are placed before the Board from time to time. The draft minutes are circulated amongst the members/participants for their comments. The minutes of the proceedings of the Meeting are entered within thirty (30) days of the conclusion of the meeting and thereafter signed by the Chairman Number of Board Meetings/Resolution Professional (RP) Meeting held and attended by Director Corporate Insolvency Resolution Process was commenced as on 18th July 2017. During the tenure of CIRP period, powers of the Board was

suspended and it vested with the Resolution Professional.

- G. During the year, 2 (two) meetings of the Board of Directors were held and the gap between the consecutive meetings did not exceed one hundred and twenty days. The necessary quorum was present for all meetings. The dates on which the Board meeting were held are as follows :

| Date | Meeting |
|------------|-------------------------------|
| 30.05.2017 | Meeting of Board of Directors |
| 11.07.2017 | Meeting of Board of Directors |

- H. All the Independent Directors fulfill the criteria of being independent as mentioned under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with Section 149(6) of the Companies Act, 2013. The maximum tenure of Independent Directors is determined in accordance with the Companies Act, 2013. The Independent Directors have also confirmed that they meet with the criteria of independence laid down under the provisions of Companies Act, 2013 and the SEBI Listing Regulations, 2015.
- I. During the year, a meeting of Independent Directors was held on May 30, 2017. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole. The Independent Directors also reviewed the quality, quantity and timeliness of flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.
- J. The Company has issued formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the terms and conditions of such appointment is disclosed on the website of the Company i.e. www.aionjsw.in
- K. The Company has also formulated familiarization programs to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates etc. The details of such familiarization programs are also available on the website of the Company i.e <https://www.aionjsw.in/documents/default.aspx?f=investor-relations/familiarization-programme-for-independent-directors-44.pdf>
- L. None of the directors is a member of more than ten committees or acts as the chairman of more than five committees in all Public Companies in which they are Director. Necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2018 have been made by the Director. Also, none of the Independent Directors serve as Independent Director in more than seven listed companies.
- M. Mr. J. P. Lath, Member of the Committee, attended the Annual General Meeting on behalf of Chairman of Audit Committee and Nomination & Remuneration Committee.
- N. Mr. J. P. Lath, Chairman of Stakeholders Relationship Committee attended the Annual General Meeting.
- O. There is no relationship between directors inter-se.

P. Annual Performance Evaluation & its criteria :-

BOARD EVALUATION

During the year, Corporate Insolvency Resolution Process (CIRP) was initiated in respect of the Company, vide order of the Hon'ble National Company Law Tribunal dated 18th July, 2017, under Insolvency And Bankruptcy Code 2016. During the pendency of the proceedings, the powers of the Board of Directors of the Company were suspended and all powers were instead exercised by Mr. Sumit Binani, Resolution Professional appointed for the Company.

Since post appointment of Interim/Resolution Professional, there was no Meeting of Directors, hence annual performance evaluation of the Board and its committees has not been carried out.

3) BOARD COMMITTEES

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company

and requires a closer review. The Board Committees are formed with the approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at a regular interval and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee meetings are also placed before the Board in the next Board Meeting for noting. However, pursuant to initiation of CIRP Process, no committee Meeting was held after 18.07.2017, as powers of the Board and its committees were suspended thereafter

The Board currently has following Committees:

A) Audit Committee

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation.

According to regulation 15(2B) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2015, the provisions as specified in Regulation 18, 19, 20 and 21 shall not be applicable during the insolvency resolution process period. Further, the role and responsibilities of the Board of Directors as specified under regulation 17 has been fulfilled by the resolution professional in accordance with sections 17 and 23 of the Insolvency Code.

i Brief Description of Charter/terms of reference of Audit Committee-

The brief Description of Charter/terms of reference of Audit Committee is broadly as under:

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditor, the statutory auditor, the cost auditor and the secretarial auditor and notes the processes and safeguards employed by each of them. The terms of reference of the audit committee are as per the guidelines set out in Part C of Schedule II of the SEBI Listing Regulations:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company and Approval of payment for any other services rendered by the statutory auditors;
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgment about the quality and appropriateness of the Company's accounting principles with reference to the Indian Accounting Standards (Ind AS)
- Review the investments made by the Company.

ii Composition of Audit Committee

The Audit Committee of the Board of Directors is constituted in line with the provisions of Regulation 18 of the SEBI Listing Regulations read with Section 177 of the Companies Act, 2013. The Audit Committee is governed by Charter/terms of reference which is in line with the regulatory requirements mandated under section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and

reporting function. As at March 31, 2018, the Composition of Audit Committee consists of Mr. J. P. Lath and Mr. Kunal Sharma as its members during the last financial year. Ms. Ankita Wadhawan and Mr. Suman Jyoti Khaitan resigned from the directorship w.e.f. 29.12.2017 and 06.02.2018 respectively. The Company Secretary of the Company acts as Secretary to the Committee.

The Audit Committee invites such executives, as it considers appropriate, representatives of Statutory Auditors and representatives of Internal Auditors to attend the meetings.

Pursuant to completion of Corporate Insolvency Resolution Process, on 24th July, 2018, the Audit Committee was re-constituted and consists of the following Directors :

1. Mr. Jyotin Kantilal Mehta, Non-Executive Independent Director – Chairman
2. Mr. Nikhil Gahrotra, Non-Executive Director - Member
3. Mrs. Anuradha Ambar Bajpai, Non-Executive Independent Director - Member

iii. Audit Committee Meetings and Attendance :

The Audit Committee met two times during the Financial Year 2017-18 before the initiation of CIRP Process. The maximum gap between two meetings was not more than 120 days. The necessary quorum was present in the meeting. The Table below provides the Attendance of the Audit Committee members:

| Name of Members | May 30, 2017 | July 11, 2017 |
|----------------------|--------------|---------------|
| Suman Jyoti Khaitan* | P | P |
| Jagdamba Prasad Lath | P | P |
| Mr. Kunal Sharma | P | P |
| Ms. Ankita Wadhawan* | P | P |

*Ms. Ankita Wadhawan and Mr. Suman Jyoti Khaitan resigned from the directorship w.e.f. 29.12.2017 and 06.02.2018 respectively.

"P" denotes Presence in the meeting

iv. Internal Controls and Governance Processes

The reconstituted Board / Management believes that the Company has effective internal control systems and policies. Post the acquisition, the reconstituted Board/Management is in the process reviewing the internal controls framework with an objective to have a best in class internal control and of putting/ revamping a framework for internal controls commensurate with the size, scale and nature of business.

v. Risk Management

The Reconstituted Board/ management is reviewing the Risk management framework of the Company. The Company would put in place a suitable enterprise risk management framework for identifying and evaluating risks and opportunities that may have bearing on the organization. The Company recognises that these risks needs to be managed and mitigated to protect the shareholders and other stakeholders interest.

B) Nomination and Remuneration Committee

i Composition of Nomination and Remuneration Committee

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulation, the Board has constituted its Nomination and Remuneration Committee. As at March 31, 2018, the Nomination and Remuneration Committee consists of two member's i.e. Mr. Kunal Sharma and Mr. Jagdamba Prasad Lath as its members. Mr. Suman Jyoti Khaitan resigned from the directorship w.e.f. 06.02.2018. The Company Secretary of the Company acts as Secretary to the Committee.

The brief terms of reference of the Nomination and Remuneration Committee, *inter alia*, includes the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

According to regulation 15(2B) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2015, the provisions as specified in Regulation 18, 19, 20 and 21 shall not be applicable during the insolvency resolution process period. Further, the role and responsibilities of the board of directors as specified under regulation 17 has been fulfilled by the resolution professional in accordance with sections 17 and 23 of the Insolvency Code.

Pursuant to completion of Corporate Insolvency Resolution Process, on 24th July, 2018, the Nomination & Remuneration Committee was re-constituted and consists of the following Directors :

1. Mrs. Anuradha Ambar Bajpai, Non-Executive Independent Director- Chairperson
2. Mr. Nikhil Omprakash Gahrotra, Non-Executive Director- Member
3. Mr. Jyotin Kantilal Mehta, Non-Executive Independent Director - Member

ii. Nomination and Remuneration Policy :

The Company has the Nomination and Remuneration Policy for the Company in compliance with Regulation 19 of SEBI Listing Regulation read with Provisions of Section 178 of the Companies Act, 2013. The said policy of the Company is available on the website of the company i.e. www.aionjsw.in.

The Objective and Purpose of this policy is as follows:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine remuneration of such Directors, Key Managerial personnel and Other employees.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the steel industry.
- To provide them reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The reconstituted Board is in process of reviewing the policy and would carry out necessary changes as may be required in due course of time.

iii. Details of Remuneration Paid to Directors for the Year ended March 31, 2018

• Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees for each of the meeting of the Board or Committees of Directors attended by them. The Details of Sitting fees paid to them during the Financial year 2017-18 are as under:-

| Name of Directors | Sitting Fees paid for Board Meetings (Rs.) | Sitting Fees paid for Committee Meetings (Rs.) | ESOP granted (No. of Shares) |
|--|--|--|------------------------------|
| Jagdamba Prasad Lath | 40000 | 20000 | NIL |
| Suman Jyoti Khaitan | 150000 | 20000 | NIL |
| Representative of IDBI Bank Shantanu Prasad* | 20000 | - | NIL |
| Kunal Sharma* | 150000 | 20000 | NIL |
| Ankita Wadhawan* | 150000 | 20000 | NIL |

***Note:**

The meeting fees is paid to IDBI Bank Limited as Mr. Shantanu Prasad is nominee of the said Bank till August 05, 2017. Mr. Shantanu Prasad, Ms. Ankita wadhawan and Mr. Suman Jyoti Khaitan resigned from the directorship of the Company w.e.f. 05.08.2017, 29.12.2017 and 06.02.2018 respectively.

• **Executive Directors**

The Details of Remuneration paid to Executive Director during the Financial year 2017-18 are as under:-

| Name of the Directors | Salary (Rs.) | Notice Period | ESOP granted (No. of Shares) |
|-----------------------|--------------|---------------|------------------------------|
| Sandeep Kumar Jajodia | Nil | 1 Month | NIL |

iv. Shareholding and Pecuniary Relationship of Non-Executive Directors :

During the financial year 2017-18, none of non-executive directors hold any shares in the Company except Mr. Jagdamba Prasad Lath, who holds 1696 equity shares in the Company.

Further, there has been no pecuniary relationship or transactions of the non-executive directors' vis-à-vis the Company during the financial year 2017-18 except the sitting fees paid for meetings of the Board & Committee(s) of Directors attended by them.

v. Details of appointment and remuneration payable to Mr. Ravichandar Moorthy Dhakshana as required as per Schedule V of the Companies Act 2013:

(i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;-

The Board of Directors was reconstituted on 31 August 2018 and Mr. Ravichandar Moorthy Dhakshana was appointed by the Board subject to approval of the shareholders of the Company, as the Whole-Time Director of the Company, designated as 'Director - Corporate In Charge', for a period of two years with effect from August 31, 2018, upon such terms and conditions including remuneration not exceeding an overall ceiling of Rs.20,00,000/- (Rupees twenty lakhs only) per month, as are set out in the Statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to the Notice of this Annual General Meeting.

(ii) details of fixed component. and performance linked incentives along with the performance criteria;-

The fixed component and performance linked incentives along with the performance criteria is as per the policy of the Company.

(iii) service contracts, notice period, severance fees;-

Appointment of Mr. Ravichandar Moorthy Dhakshana is for the period of Two years on the terms as set out in the Notice of ensuing Annual General Meeting and Notice period is Three months and severance fees, if any, is as per the policy of the Company.

(iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. –

The Company does not have any Stock Option Scheme for its employees and Directors hence Mr. Ravichandar Moorthy Dhakshana is not entitled to stock option.

vi. Stock Option Scheme :

The Company does not have any Stock Option Scheme for its employees and Directors.

C) Corporate Social Responsibility (CSR) Committee

CSR Committee of the Company is constituted pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The terms of reference of the Corporate Social Responsibility (CSR) Committee, inter alia, includes the following:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress;
- To monitor the corporate social responsibility policy of the company from time to time

No meeting of the CSR Committee was held for the FY 2017-18. The composition of CSR Committee involves Mr. Sandeep Kumar Jajodia as Chairman, Mr. Jagdamba Prasad Lath and Mr. Suman Jyoti Khaitan* as members.

**Mr. Suman Jyoti Khaitan resigned from the directorship of the Company w.e.f. 06.02.2018.*

Pursuant to completion of Corporate Insolvency Resolution Process, on 24th July, 2018, the existing board of directors of the Company have been deemed to have resigned, the Corporate Social Responsibility (CSR) Committee was re-constituted and consists of the following Directors:

1. Mr. Nikhil Omprakash Gahrotra, Non-Executive Director- Chairman
2. Mrs. Sutapa Banerjee, Non Executive Independent Director - Member
3. Mr. Ravichandar Moorthy Dhakshana, Executive Director - Member

D) Stakeholders' Relationship Committee

i Terms of Reference :

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Companies Act, 2013. The Board has clearly defined the terms of reference for this Committee, which generally meets once in a quarter. The Committee looks into the matters of Shareholders / Investors grievances along with other matters listed below:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates/certificates relating to other securities;
- issue and allot right shares/bonus shares pursuant to a Rights Issue/ Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;

- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture etc.

ii Composition and Attendance :

The composition of the Stakeholders Relationship Committee as at March 31, 2018 and details of the Members participation at the Meetings of the Committee are as under:

| Meetings Date | Jagdamba Prasad Lath | Sandeep Jajodia | Hardeep Singh |
|---------------|----------------------|-----------------|---------------|
| May 30, 2017 | P | P | P |
| July 11, 2017 | P | P | P |

“P” denotes Presence in the meeting

On 24th July, 2018 pursuant to completion of CIRP, the Stakeholders' Relationship Committee was re-constituted and consists of the following Directors:

1. Mrs. Anuradha Ambar Bajpai, Non-Executive Independent director- Chairperson
2. Mr. Nikhil Omprakash Gahrotra, Non-Executive Director- Member
3. Mr. Jyotin Kantilal Mehta, Non-Executive Independent director – Member

E) International Trade Practices and Corporate Governance Committee

Pursuant to the agreement entered into between JSW Steel Limited and AION Investments Private II Limited, the Company has constituted an international trade practices and corporate governance committee of the Board to monitor compliance by the Company with policies in relation to anti-corruption laws and sanctions administered by the Office of Foreign Assets Control of the United States Treasury.

Pursuant to completion of Corporate Insolvency Resolution Process, on 24th July, 2018, the International Trade Practices and Corporate Governance Committee was constituted and consists of the following Directors:

1. Mrs. Anuradha Ambar Bajpai, Non-Executive Independent director- Chairperson
2. Mr. Ravichandar Moorthy Dhakshana , Executive Director- Member
3. Mr. Nikhil Omprakash Gahrotra, Non-Executive director - Member

Name and Designation of Compliance officer :

| | | |
|--------------------|---|--|
| Name | : | Mr. Hardeep Singh |
| Designation | : | Company Secretary & Compliance Officer |
| Address | : | Monnet House, 11 Masjid Moth, Greater Kailash-II, New Delhi-110048 |
| Phone | : | 011-29218542/43/44/45/46 |
| Fax | : | 011-29218541 |
| E-mail | : | isc_miel@aionjsw.in |

Details of the Shareholder's complaints received, redressed/pending during the financial year 2017-18 :

The details of total number of complaints received; resolved/pending during the financial year 2017-18 is as follow:-

| Particulars | No. of Complaints |
|--|-------------------|
| Number of complaints received from the investors (including the opening Balance as on 01 st April, 2017) comprising of Non-receipt of Dividend Warrants where reconciliation is completed after end of the quarter, securities sent for transfer and transmission, annual report & complaints received from Regulatory/Statutory Bodies | 55 |
| Number of complaints resolved | 55 |
| Complaints Pending as at March 31, 2018 | 0 |

The above table includes Complaints received from SEBI SCORES by the Company.

The Complaints are handled by Company's Registrars and Share Transfer Agents MCS Share Transfer Agent Ltd., New Delhi. The Stakeholder Relationship Committee monitors the complaints and other activities and also helps in resolving grievances wherever needed. A firm of Practicing Company Secretaries conducts the audit on quarterly basis and submits Capital Reconciliation Audit Report.

F) Other Board Committees

i Executive Committee Meeting:

The Executive Committee was formed to deal with urgent matters requiring immediate action of the Board of Directors before a meeting of the Board could be convened. The Minutes of the Executive Committee are placed in front of Board for their review and noting. As on March 31, 2018, the Composition of Executive Committee of Directors comprised of Mr. Jagdamba Prasad Lath as Chairman and Mr. Sandeep Kumar Jajodia as Member. The details of the Members participation at the Meetings of the Committee are as under:

| Date of Meeting | Sandeep Jajodia | Jagdamba Prasad Lath |
|-----------------|-----------------|----------------------|
| April 03, 2017 | P | P |
| June 01, 2017 | P | P |
| July 12, 2017 | P | P |

Pursuant to, and in accordance with the implementation of the Final Resolution Plan, the existing board of directors of the Company have been deemed to have resigned and the said committee is deemed to be dissolved and there is no Executive Committee post implementation of the Resolution Plan.

ii. Finance Committee Meeting:

The Finance Committee of the Board was constituted to consider and approve all types of loans and banking facilities upto the maximum limit of Rs. 10,000 Cr. outstanding at the given point of time and to meet the financing requirements of the Company requiring immediate action of the Board of Directors before a meeting of the Board could be convened. As on March 31, 2018, the Composition of Finance Committee of Directors comprises of Mr. Jagdamba Prasad Lath as Chairman and Mr. Sandeep Kumar Jajodia as member. The details of the Members participation at the Meetings of the Committee are as under:

| Date of Meeting | Sandeep Kumar Jajodia | Jagdamba Prasad Lath |
|-----------------|-----------------------|----------------------|
| June 01, 2017 | P | P |

Pursuant to completion of Corporate Insolvency Resolution Process, on 24th July, 2018, the Finance Committee was re-constituted by the new board (consortium of AION and JSW STEEL) in its meeting held on 31st August, 2018 and consists of the following Directors :

1. Mr. Seshagiri Rao MVS, Non-Executive Director - Member
2. Mr. Ravichandar Moorthy Dhakshana , Executive Director - Member
3. Mr. Kalpesh Pankaj Kikani, Non-Executive Director - Member

4) GENERAL BODY MEETINGS

A. Details of Last Three Annual General Meetings (AGM) Held :

| AGM | Date & Time | Place of Meeting | Details of Special Resolution Passed |
|------------------|---------------------------------|--|--|
| 27 th | September 28, 2017, 2:30 P.M | Monnet Marg, Mandir Hasaud, Raipur, Chhattisgarh- 492101 | No special resolution passed |
| 26 th | September 30, 2016, 2:30 P.M | | <ul style="list-style-type: none"> • Adoption of new set of Memorandum of Association • Adoption of new set of Articles of Association |
| 25 th | September 30, 2015, 2:30 P.M | | <ul style="list-style-type: none"> • To obtain waiver of the excess remuneration paid to Mr. Sandeep Kumar Jajodia (holding DIN: 00082869), Chairman and Managing Director, during the period of April 1, 2014 to March 31, 2015 • To reappoint and fix the remuneration of Mr. Sandeep Kumar Jajodia (holding DIN: 00082869) as Chairman and Managing Director of the Company • To obtain waiver of the excess remuneration paid to Mr. Chandra Prakash Baid (holding DIN:00466414), Dy. Managing Director, during the period of April 1, 2014 to March 31, 2015 • To reappoint Mr. Chandra Prakash Baid as Dy. Managing Director |

The above Resolutions were passed with requisite majority. No Special Resolution was put through Postal Ballot at the last Annual General Meeting nor is proposed at the ensuing Annual General Meeting.

B. Details of Special Resolutions Passed during the Financial Year 2017-18 through Postal Ballot

During the year, the Company has conducted Annual General Meeting on September 28, 2017. No Special Resolution was passed through Postal Ballot during the said period.

5) MEANS OF COMMUNICATION

- A. The Unaudited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the SEBI Listing Regulation, as amended from time to time.
- B. The Company normally publishes quarterly results/ half yearly in leading Business Newspapers National daily of the country like Financial Express(English Language) and "The Raj express" (Vernacular Language) in accordance with the SEBI Listing Regulations and circulates the same to stock exchanges & the shareholders.;
- C. The official news releases, including the quarterly, half yearly and annual results and presentations made to institutional investors/analysts, if any, are also posted on the Company's website www.aionjsw.in
- D. The Company also ensures that the details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances, details of agreements entered into with media companies and/or their associates and

other information as required under Companies Act, 2013 and SEBI listing Regulations are promptly and prominently posted on its website www.aionjsw.in.

- E. There is a separate section under "Investors" on the Company's website which gives information on unclaimed shares to be deposited to the Government and other relevant information of interest to the investors / public.

6) GENERAL SHAREHOLDERS INFORMATION

A. Annual General Meeting

| | | |
|-----------------------------------|---|---|
| Day and Date | : | Thursday, 27 th December, 2018 |
| Time | : | 01:30 p.m. |
| Venue | : | Monnet Marg, Mandir Hasaud, Raipur, Chhattisgarh-492101 |
| Financial Year | : | 2017-18 |
| Book Closure / Record Date | : | Thursday, 20 th December, 2018 to Thursday, 27 th December, 2018 (Both Days Inclusive) |

B. Financial Year Calendar (Tentative) :

The Company follows the period of 1st April to 31st March, as the Financial Year. The tentative dates for Board Meetings for consideration of quarterly financial results are as below:

| | | |
|---|---|--------------------------------|
| First Quarter Results | : | on or before August 14, 2018 |
| Second Quarter & Half Yearly Results | : | on or before November 14, 2018 |
| Third Quarter Results | : | on or before February 14, 2019 |
| Fourth & Audited Annual Results | : | on or before May 30, 2019 |

- C. **Dividend Payment** : No dividend has been recommended for the Financial Year 2017-18.

- D. **Registered Office Address** : Monnet Marg, Mandir Hasaud, Raipur, Chhattisgarh - 492101.
CIN : L02710CT1990PLC009826

E. Listing on Stock Exchanges:

The equity shares of your Company are listed on the National Stock Exchange of India Ltd., BSE Ltd. & Calcutta Stock Exchange Ltd. (the stock exchanges). Whereas the Non-Convertible Debentures (NCDs) issued by the Company are also listed on BSE Ltd.

National Stock Exchange of India Ltd.
'Exchange Plaza', Bandra Kurla Complex,
Bandra (E), Mumbai- 400051.
website : www.nseindia.com

BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400 001
website : www.bseindia.com

The Company is in the process of getting itself delisted from Calcutta Stock Exchange. The Annual listing fee for the listed equity Shares and non-convertible debentures for the year 2018-19 have been paid to BSE Ltd and National Stock Exchange Limited.

F. Stock Codes/Symbol:

| | | |
|---|---|--|
| National Stock Exchange of India Ltd | : | AIONJSW (Before recommencement MONNETISPA) |
| BSE Ltd. | : | 513446 |
| Calcutta Stock Exchange Ltd. | : | 23037 |

G. Non-Convertible Debentures :

The details of Non-convertible Debentures (NCD's) issued by the Company on private placement basis are given below. Pursuant to the implementation of the Resolution Plan sanctioned by the NCLT, debts of eligible financial creditors were also paid in the manner provided in the Approved Resolution Plan.

| Number of Debentures | Value of Debenture (Rs. In Lacs) | Category | ISIN | Contacts details of Debenture Trustee |
|----------------------|----------------------------------|------------------------------------|--------------|---|
| 1500 | 15000 | Secured Redeemable Non-Convertible | INE743C07069 | IL&FS Trustee Company Limited IL&FS Financial Centre Plot no. C-22, G Block Bandra Kurla Complex, Bandra(E) Mumbai – 400 051 Website : www.itdindia.com E-mail : Shailesh.Kokate@ilfsindia.com |
| 400 | 4000 | | INE743C07077 | |
| 150 | 1500 | | INE743C07085 | |
| 500 | 5000 | | INE743C07093 | |
| 150 | 1500 | | INE743C07101 | |
| 2500 | 25000 | | INE743C07119 | |
| 1000 | 10000 | | INE743C07028 | |
| 1200 | 12000 | | INE743C07010 | |
| 450 | 4500 | | INE743C07044 | |
| 350 | 3500 | | INE743C07036 | |
| 1000 | 10000 | | INE743C07051 | |

As on the date of report, the Company does not have any outstanding debentures.

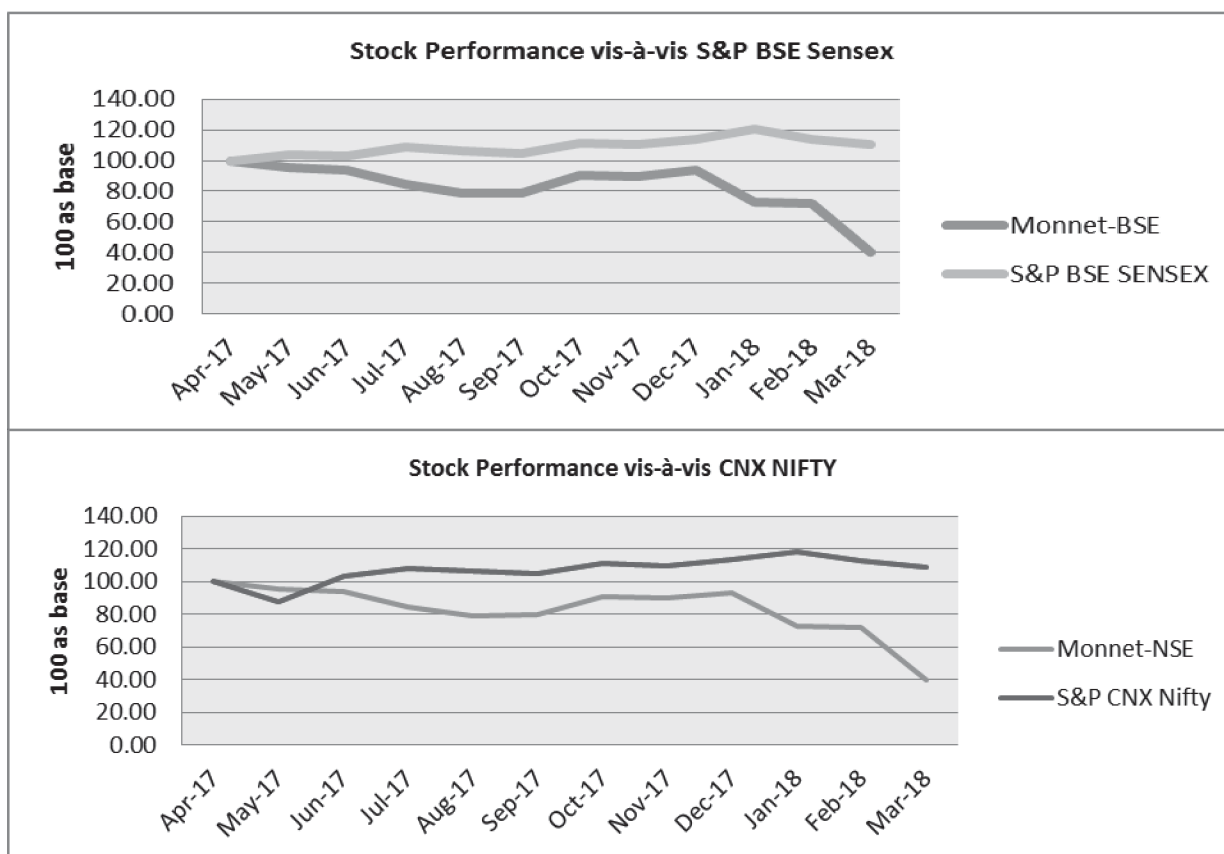
H. Market Price Data:

High, Low (based on daily closing prices) and number of equity shares traded during each month in the year 2017-18 on NSE and BSE:

| Month | BSE (Rs.) | | | NSE (Rs.) | | |
|-----------------|-----------|-------|-------------|-----------|-------|-------------|
| | High | Low | Volume | High | Low | Volume |
| April – 2017 | 40.50 | 33.80 | 20,63,294 | 40.50 | 34.00 | 1,01,55,304 |
| May- 2017 | 44.50 | 35.05 | 32,75,235 | 44.50 | 34.50 | 1,49,93,050 |
| June- 2017 | 44.40 | 27.50 | 41,50,587 | 44.40 | 27.50 | 1,94,69,023 |
| July – 2017 | 36.65 | 30.55 | 20,34,442 | 36.70 | 30.60 | 97,15,138 |
| August – 2017 | 34.00 | 25.95 | 9,47,187 | 34.10 | 26.00 | 49,91,530 |
| September- 2017 | 34.00 | 27.50 | 25,36,306 | 32.50 | 27.15 | 56,31,069 |
| October- 2017 | 34.70 | 29.00 | 12,82,591 | 34.85 | 29.20 | 68,37,918 |
| November- 2017 | 35.20 | 31.00 | 21,21,183 | 35.20 | 30.75 | 1,12,75,458 |
| December- 2017 | 38.50 | 29.65 | 28,65,871 | 38.50 | 29.65 | 1,86,68,890 |
| January- 2018 | 38.50 | 24.15 | 1,07,73,900 | 38.25 | 25.10 | 6,31,31,416 |
| February- 2018 | 31.40 | 22.90 | 51,93,592 | 31.60 | 22.55 | 3,21,39,287 |
| March- 2018 | 27.40 | 14.90 | 35,84,134 | 27.50 | 14.80 | 1,93,80,173 |

I. Stock Performance

The performance of the Company's share relative to the BSE Sensitive Index and S&P CNX Nifty (on closing rates at the end of each month in respective stock exchange) considering 100 as the base is given in the Chart below:



J. Registrar & Transfer Agent

Share transfer, dividend payment and all other investor related matters are attended to and processed by our Registrar and Transfer Agents. Details of Registrar and Transfer Agents are as under-

| | | |
|--------------------------------------|---|---|
| Registrar and Transfer Agents | : | MCS Share Transfer Agent Ltd |
| Address | : | F-65, Okhla Industrial Area, Phase-I, New Delhi – 110 020 |
| Contact Details | : | Tel.: 011-41406149 Fax : 011-41709881 Email Address: admin@mcsregistrars.com |

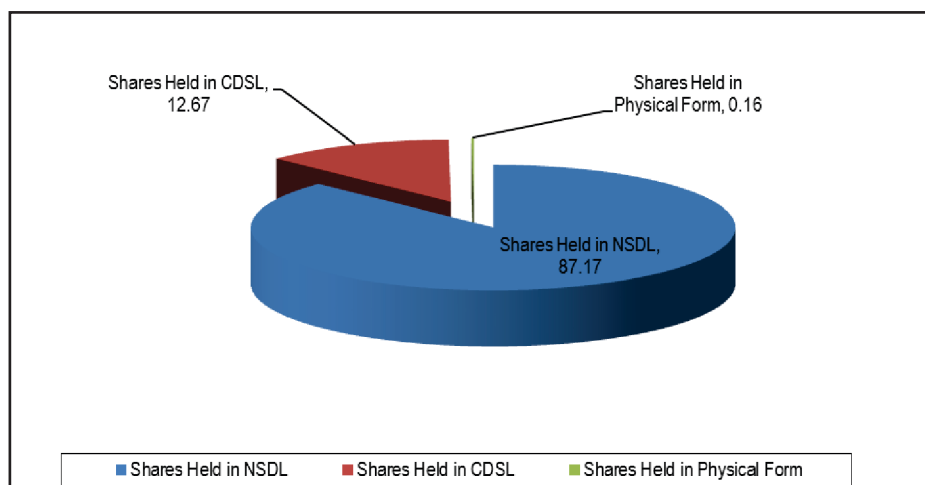
Share transfers system

Physical Shares sent for transfer are duly transferred within 15 days of receipt of documents, if found in order. Shares under objection are in general returned within 15 days. MCS Share Transfer Agent Ltd, Share Transfer Agents of the Company, is authorized to sign the share certificates on behalf of the Company for expeditious disposal of transfer requests.

In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the SEBI Listing Regulation, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

K. Dematerializations of Shares and liquidity

As at March 31, 2018, 99.84 % of Equity capital was held in Electronic form with NSDL and CDSL. Normally, requests of dematerialization of shares are processed and confirmed within 15 days of receipt to NSDL and CDSL



Further, 100 % of the Cumulative Non-Convertible redeemable preference shares of the Company are in electronic form held with NSDL. However, these have been extinguished pursuant to the NCLT order.

- **Shares held in Electronic Form**

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given directly to the DP.

- **Shares held in Physical Form**

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given to the Company's RTA viz. MCS Share Transfer Agents Limited, Delhi.

L. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on March 31, 2018, the Company has no outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity.

M. Shareholding as on March 31, 2018

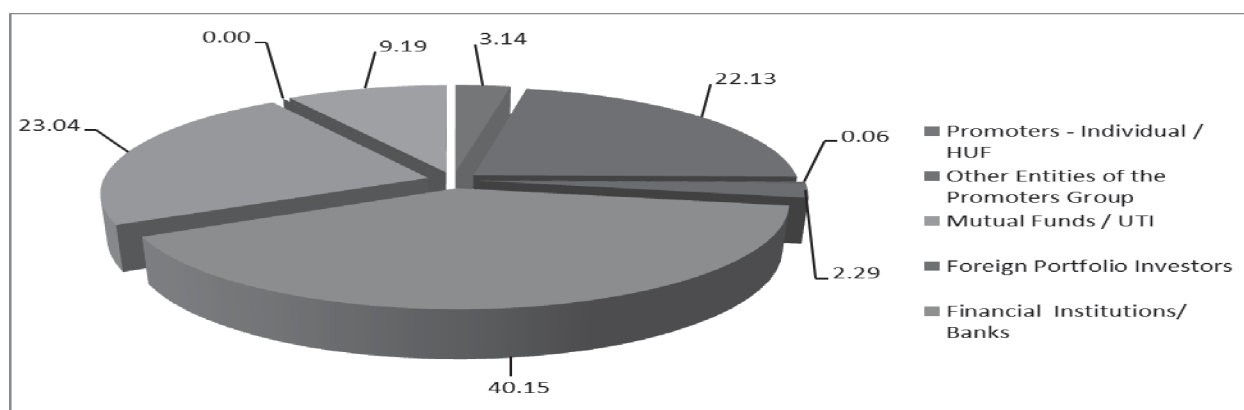
I Distribution of Shareholding as at March 31, 2018:

| Category | No. of Folios | % of Shareholders | No. of Shares | % of Capital |
|--------------|---------------|-------------------|------------------|--------------|
| 1 – 500 | 26111 | 67.89 | 4611526 | 2.30 |
| 501 - 1000 | 4922 | 12.80 | 4271635 | 2.13 |
| 1001 - 2000 | 3065 | 7.97 | 4945996 | 2.46 |
| 2001 - 3000 | 1265 | 3.29 | 3350506 | 1.67 |
| 3001 - 4000 | 628 | 1.63 | 2303315 | 1.15 |
| 4001 - 5000 | 638 | 1.66 | 3066137 | 1.53 |
| 5001 - 10000 | 931 | 2.42 | 7139599 | 3.56 |
| 10001-50000 | 726 | 1.89 | 15166376 | 7.55 |
| 50001-100000 | 82 | 0.21 | 5877266 | 2.93 |
| Above 100000 | 91 | 0.24 | 150035886 | 74.73 |
| TOTAL | 38459 | 100 | 200768242 | 100 |

ii. **Categories of equity shareholders as on March 31, 2018:**

Shareholding pattern as on March 31, 2018 for the purpose of reporting in the Annual Report of the Company for the year 2017-18 is given as under:

| Category | As On March 31, 2018 | |
|---------------------------------------|----------------------|----------------|
| | No. of Equity Shares | Percentage (%) |
| Promoters - Individual / HUF | 6300616 | 3.14 |
| Other Entities of the Promoters Group | 44432225 | 22.13 |
| Mutual Funds / UTI | 116319 | 0.06 |
| Foreign Portfolio Investors | 4596336 | 2.29 |
| Financial Institutions/ Banks | 80610077 | 40.15 |
| Individuals | 46264993 | 23.04 |
| NBFC | 5600 | 0.00 |
| NRI's / OCBs / Foreign Nationals/IEPF | 18442076 | 9.19 |



Top Ten Shareholders as on March 31, 2018:

| List of Top Ten Shareholders as On March 31, 2018 | Shares | % Age of Paid-up Capital |
|---|----------|--------------------------|
| Umra Securities Limited | 18750000 | 9.34 |
| Udhyam Merchandise Private Limited | 25123675 | 12.51 |
| State Bank Of India | 29587718 | 14.74 |
| Punjab National Bank | 5222222 | 2.60 |
| Indian Overseas Bank | 5087719 | 2.53 |
| Blackstone GPV Capital Partners Mauritius VA Ltd | 4567647 | 2.28 |
| Oriental Bank Of Commerce | 4511695 | 2.25 |
| UCO Bank | 4500000 | 2.24 |
| Union Bank Of India | 4345029 | 2.16 |
| DENA Bank | 4035087 | 2.01 |

N. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125. The details of unclaimed/unpaid dividend are available on the website of the Company viz. www.aionjsw.in. Details of Unclaimed Dividend as on March 31, 2018 and due dates for transfer are as follows:

| Details of Transfer of Unclaimed Dividend to Investor Education and Protection Fund(IEPF) | | | | | | |
|---|----------------|---------------------------------|---------------------------------|---------------------------|--|------------------|
| Interim / Final Dividend | Financial Year | Date of declaration of Dividend | Transfer to Unpaid dividend A/c | Dividend (Rs. Per share*) | Last date of claiming from the Company | Transfer to IEPF |
| Final Dividend | 2010-11 | 30/09/2011 | 06/11/2011 | 5 | 30/09/2018 | 06/11/2018 |
| Final Dividend | 2011-12 | 29/09/2012 | 05/11/2012 | 2.5 | 29/09/2019 | 05/11/2019 |
| Final Dividend | 2012-13 | 30/09/2013 | 06/11/2013 | 1.5 | 30/09/2020 | 06/11/2020 |
| Final Dividend | 2013-14 | 27/09/2014 | 03/11/2014 | 1 | 27/09/2021 | 03/11/2021 |

* On the face value of Rs. 10 per share fully paid up.

O. Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules.

In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement in this regard.

P. Commodity price risk or foreign exchange risk and hedging activities

The company has not carried out any hedging activities related to the Commodity price risk or foreign exchange risk.

Q. Plant Location

| | | |
|----------------------|---|---|
| Raipur Works | : | Monnet Marg, Mandir Hasaud, Raipur, Chhattisgarh - 492101. |
| Raigarh Works | : | Village Naharpali, Tehsil Kharsia, Distt. Raigarh, Chhattisgarh |

R. Address for Correspondence

| | | |
|-------------------------|---|--|
| Corporate Office | : | Monnet House, 11, Masjid Moth Greater Kailash Part-II, New Delhi-110048. Phone: 011-29218542-46 Fax : 011-29218541 e-mail : isc_miel@aionjsw.in |
|-------------------------|---|--|

DISCLOSURES:

A. Related party transactions

Related Parties and transactions with them as required under Accounting Standard 18 (AS-18) are furnished under Note No. 43 of the Notes to the Accounts attached with the financial statements for the year ended March 31, 2018. There were no material related party transactions which are not on arms length basis between the Company and related parties during the year under review and hence disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required and hence do not form part of this report.

The secretarial auditor has made certain observations relating to Related Party Transactions in their Secretarial Audit report. Pursuant to the Acquisition and the IBC Order dated July 24, 2018 passed by the NCLT, there has been a change in the Board and the management of the Company. Given that the observations pertain to the prior period, the Board does not have any additional comments on the said observations and is in the process of addressing these observations. The erstwhile Board of Directors have approved and adopted a policy on Related Party Transactions and the same can be accessed at <https://www.aionjsw.in/documents/default.aspx?f=investor-relations/material-related-party-policy-49.pdf>

B. Matters related to capital market

During the year 2015-16 the Company had paid penalty for non submission of the Annual Report on time under Clause 31 of Listing Agreement along with Form-A to the BSE.

Other than above there were no non-compliance by the Company, nor have any penalties or strictures been imposed on the company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

C. Details of Vigil mechanism, Whistle blower Policy and affirmation that no personnel have been denied access to the Audit Committee

The Company has adopted a Whistle Blower Policy through which vigil mechanism of the Company has been laid down. The Company affirms that no personnel have been denied access to Audit Committee on any issue.

D. Compliance with mandatory requirements and adoption of Non-mandatory requirements

The Company has complied with all the mandatory requirements of SEBI Listing Regulations. The Company has not adopted any non-mandatory requirement of the SEBI Listing Regulations.

E. Subsidiary Companies

All subsidiary companies of the Company are managed by their respective Boards having the rights and obligations to manage companies in the best interest of their stakeholders. The Company monitors performance of subsidiary companies in the following ways:

- a) All minutes of Board Meetings of the unlisted subsidiary companies are placed before the Company's Board;
- b) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company;
- c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

F. Code of Conduct

The powers of the board of directors of the Company were suspended on July 18, 2017 pursuant to the commencement of the corporate insolvency resolution process of the Company under the Insolvency and Bankruptcy Code, 2016 and continued to remain in suspension as on March 31, 2018. Accordingly the requirement under Regulation 26(3) of the Listing Regulations is not applicable to the then existing board of directors. The Reconstituted Board was not in place as on March 31, 2018 for the financial year under review to which this declaration primarily pertains and hence, the requirement under Regulation 26(3) of the Listing Regulations is not applicable to the members of the Reconstituted Board. The Company has, however, received declarations under Regulation 26(3) of the Listing Regulations from other members of the senior management of the Company to whom the code of conduct is applicable.

G. Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by its Directors and Designated Employees.

H. Certificate on Corporate Governance

As required by Regulation 34(3) Schedule V (E) of the SEBI listing regulations, the certificate from Practicing Company Secretary regarding compliances of conditions of Corporate Governance is annexed to this report.

I. CEO/CFO Certification

The Reconstituted Board has received compliance certificate from the Whole Time Director of the company and Chief Financial Officer of the company, pursuant to Regulation 17(8) read with Part B of Schedule II of SEBI Listing Regulations.

J. Disclosure of Accounting Treatment

The Financial statement of the Company is prepared as per the prescribed Indian Accounting Standards and reflects true and fair view of the business transactions in the Corporate Governance.

K. Management Discussion and Analysis

Management Discussion and Analysis Report forms part of the Annual Report.

L. Disclosures with respect to Demat suspense account/unclaimed suspense account

As per Regulation 34(3) read with Schedule V of SEBI Listing Regulation, the details of the shares in the Suspense Account are as follows:

| Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year | Number of shareholders who approached the Company for transfer of shares from suspense account during the year | Number of shareholders to whom shares were transferred from suspense account during the year | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year | That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares |
|--|--|--|--|---|
| (1) | (2) | (3) | (4) | (5) |
| NA | NA | NA | NA | NA |

Disclaimer:

The information furnished above is certified by Monnet Ispat & Energy Limited to be true, fair and accurate (except in respect of errors in or omissions from documents filed electronically that result solely from electronic transmission errors beyond our control and in respect of which we take corrective action as soon as it is reasonably practicable after becoming aware of the error or the omission). SEBI, the Stock Exchanges or the NIC do not take any responsibility for the accuracy, validity, consistency and integrity of the data entered and updated by it.

By order of the Board
For Monnet Ispat and Energy Limited

Jyotin Kantilal Mehta
Chairman
DIN: 00033518

Place: Mumbai
Date: 15 October, 2018