

10th Director's report for the year 2015-16

**TATA STEEL SPECIAL ECONOMIC ZONE
LIMITED**

DIRECTORS' REPORT

To the Members,

Your Directors take pleasure in presenting the 10th Director's report of the Company along with the summary financial statements for the financial year ended at 31st March, 2016.

FINANCIAL HIGHLIGHTS

Particulars	FY 2015-16 (in Rs.)	FY 2014-15 (in Rs.)
Turnover	-	-
Profit/(Loss) before taxation	(1,20,31,934)	(1,04,31,696)
Less Tax Expense	-	-
Profit/(Loss) after tax	(1,20,31,934)	(1,04,31,696)
Add Balance B/F from the previous year	(1,17,52,041)	(13,20,345)
Balance Profit / (Loss) C/F to the next year	(2,37,83,975)	(1,17,52,041)

Note:

- The Company is a 100% subsidiary of Tata Steel Limited. The accounts of the Company are based on accrual method of accounting and in accordance with the Companies Act, 2013. It complies with the accounting standards specified under section 133 of the Act read with rule 7 of Companies (Accounts) Rules 2014 to the extent applicable to the Company.
- The Company is in the project development stage.

PROJECT STATUS AND KEY DEVELOPMENTS

The Company, a 100% subsidiary of Tata Steel Limited, is engaged in developing an industrial park over approximately 2970 Ac land in Gopalpur, Odisha, including a multi-product Special Economic Zone (SEZ) on land admeasuring 500 Ha (~1235 Ac). The land for development of SEZ has been registered in favour of the Company in the year under review and the SEZ has been notified by the Ministry of Commerce and Industry, Govt. of India in April, 2016.

The master plan and infrastructure plan have been developed by M/s. Surbana Jurong Infrastructures Pte. Limited, Singapore. Construction of world class gate complex for the industrial park has commenced in the current year. The marketing plan of the Company has been finalized by M/s. E&Y Pvt. Limited. The Company is targeting to attract various foreign and domestic investments and has started approaching the market.

DIVIDEND

The Company has not started its commercial operations; hence the Board is not in a position to recommend dividend to the shareholders.

TRANSFER TO RESERVE

There is no transfer of profit to reserves as the Company does not have any profit.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of the Companies Act, 2013 related to corporate social responsibility was not applicable to the Company during the financial year under review.

CORPORATE GOVERNANCE

a) Composition of Board:

The Board of the Company comprises of:

Name of the Director	Nature of Appointment
Mr. T.V Narendran	Chairman Not independent, Non-executive
Mr. Koushik Chatterjee	Not independent, Non-executive
Mr. Arun Misra	Managing Director Not independent, Executive
Mr. Krishanava Dutt	Independent Director
Mr. Manoj T Thomas	Independent Director
Ms. Samita Shah	Not independent, Non-executive

Mr. Krishnava Dutt and Mr. Manoj T Thomas joined the Board on 11th December 2015 as independent directors and Ms. Samita Shah, woman director, joined the Board as non-executive non-independent director on 22nd March 2016.

None of the directors has resigned from the Board of the Company during the financial year under review.

Mr. T.V. Narendran and Mr. Arun Misra, directors of the Company who will retire at the ensuing annual general meeting pursuant to section 152(6) of the Companies Act, 2013, and being eligible seek re-appointment. Their appointment has been recommended by the Board for the consideration of shareholders.

b) Constitution of committees:

During the financial year, the Board has constituted Audit Committee and Nomination and Remuneration Committee. The composition of the above named committees is given as under:

Audit Committee	
Name of the Director	Nature of Appointment
Mr. Krishanava Dutt	Chairman Independent Director
Mr. Manoj T Thomas	Member Independent Director
Ms. Samita Shah	Member Not independent, Non-executive

Nomination & Remuneration Committee	
Name of the Director	Nature of Appointment
Mr. Manoj T Thomas	Chairman Independent Director
Mr. Krishanava Dutt	Independent Director
Mr. T.V Narendran	Not independent, Non-executive
Mr. Koushik Chatterjee	Not independent, Non-executive

c) Key Management Personnel:

Pursuant to the provisions of the Companies Act, 2013 the following are the Key Managerial Personnel (KMP) of the Company as on date of this report:

Mr. Arun Misra	-	Managing Director
Mr. Tanmay Kumar Sahu	-	Chief Financial Officer & Company Secretary

During the financial year under review, no KMP(s) were appointed or resigned.

d) Board Meetings:

During the Financial Year 2015-16, five meetings of Board of Directors were held. The intervening gap between the meetings was within the period prescribed under the Companies Act 2013 & applicable secretarial standards. The date of the meetings is given as under:

Number of Board meeting	Dates
38 th Board Meeting	28-Apr-15
39 th Board Meeting	25-Aug-15
40 th Board Meeting	11-Dec-15
41 st Board Meeting	25-Feb-16
42 nd Board Meeting	31-Mar-16

e) Meetings of Committees:

During the Financial Year 2015-16, one meeting of the Audit Committee and one meeting of the Nomination and Remuneration Committee was held on 31st March, 2016 subsequent to the appointment of independent directors on 11th December, 2015.

f) Declaration by Independent directors:

The Company has received necessary declaration from all Independent Directors in form no- DIR-8 as per section 149(7) of the Companies Act 2013 stating that they meet the criteria of independence as laid out in sub-section (6) of the section 149 of the Companies Act 2013.

AUDITORS

a) Statutory Auditors:

Pursuant to the provisions of the Section 139 of Companies Act 2013, the term of the statutory auditors of the Company, M/s A.K Sabat & Co, Chartered Accountants shall expire on the conclusion of 10th Annual General Meeting. Being eligible they have offered themselves for reappointment. The Board has recommended their appointment to the shareholders for approval.

b) Cost Auditors:

Appointment of cost auditors was not applicable to the Company during the financial year under review.

c) Secretarial Auditors:

The Board has appointed M/s. Saroj Ray & Associates, Company Secretaries firm bearing CP No. 3770 as the secretarial auditors to conduct the secretarial audit of the Company for the financial year 2015-16 & 2016-17. The Secretarial Auditors have conducted the secretarial audit of the Company for the financial year 2015-16 and have submitted their report in the form no MR-3 which is attached to this Board's report as annexure-1.

AUDIT REPORTS

There was no qualification, reservation or adverse remark contained in the reports of Statutory Auditor and the Secretarial Auditor for the year under review. Therefore, no explanation(s) or comment(s) were offered by the Board.

RELATED PARTY TRANSACTIONS

Tata Steel Special Economic Zone Limited is a closely held and 100% subsidiary company of Tata Steel Limited. During the financial year under review, the Company has not entered into any contract or arrangement with related party which falls under the ambit of section 188 of the Companies Act, 2013. Hence Form AOC-2 relating to particulars of contracts or arrangements with related parties referred to in Section 188(1) alongwith the justification for entering such contract or arrangement does not form part of this report.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENT

During the financial year under review the Company has not given any loans directly or indirectly to any person or to other body corporate, or any guarantee or any security in connection with a loan to any other body corporate or any person pursuant to section 186 of Companies Act, 2013. The Company has neither subscribed nor made any investment in securities of any other body corporate by way of purchase.

DISCLOSURE OF POLICIES, GUIDELINES AND CONTROL MECHANISM**a) Risk Management Policy:**

The Company is exposed to inherent uncertainties owing to the sectors in which it operates. The Board of Directors has adopted a Risk Management Policy which has been implemented within the organization. The Company's risk management process focus on ensuring that these risks are identified and addressed on a timely basis and addressed. The Risk Management Policy is reviewed on a periodical basis for improvement. The Company has also plans to constitute a risk management committee in due course. In the year under review, the Company has not identified any elements of risk which may threaten the existence of the Company.

b) Policy on appointment and remuneration of Directors, Senior Management and other employees:

Based on the recommendation of Nomination & Remuneration committee, the Board has adopted the following policies namely:

1. Policy on appointment and removal of directors which include Board membership criteria, Board Diversity policy and criteria for determining independent directors.
2. Policy on remuneration for directors, key management personnel and other employees.

The details of the aforesaid policies are attached as Annexure-2&3, respectively.

c) Familiarization programme for Independent Directors:

The Board has formulated a policy on Independent Directors' familiarization and continuing education programme which is available on Company's website.

All Independent directors newly inducted onto the Board of the Company are given an orientation on the operations so far, group structure, constitution and procedures.

d) Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013:

The Company has taken initiative towards encouraging a safe workplace for women by adopting the guidelines of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) as laid down by its holding Company Tata Steel Limited.

During FY 2015-16, the Company has not received any complaint on sexual harassment.

e) Vigil Mechanism System:

The Board has adopted Whistle Blower Policy in order to establish Vigil Mechanism System within the Company. The policy ensures a mechanism system for directors, employees and vendors of the Company to have direct access to the Chairman of audit committee/Ethics Counsellor for reporting genuine concerns on suspected frauds, unethical behavior, unfair trade practices or violation of Tata Code of Conduct.

The Policy is available on Company's website.

f) Internal Financial Control:

The Company has in place an established internal control system commensurate with the size scale and complexity of its operations. The internal control system has been designed to ensure orderly and efficient conduct of its business including adherence to the Company's policy, the safeguarding of assets, the prevention and detection of frauds and errors, ensuring the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

In compliance with section 143(3) clause (i) of the Act, the Statutory Auditors have issued a report on the internal financial controls over financial reporting which forms part of independent auditors' report forming part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors based on the framework of internal financial controls and compliance system established and maintained by the Company, work performed by statutory and secretarial auditors and the review performed by the management and the relevant Committees, is of the opinion that the Company's financial controls were adequate and effective as on 31st March, 2016.

In accordance with the provisions of Section 134(5) of the Companies Act 2013, the Board of Directors, to the best of their knowledge and ability, confirm:

- i) that in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of financial year and of the profit /loss of the Company for that period;
- iii) that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that the annual accounts have been prepared on a going concern basis;
- v) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.
- vi) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

BOARD ANNUAL EVALUATION:

The process and criteria for annual performance evaluation of the Board, its Committees and individual directors had been laid down by the Nomination and Remuneration Committee and the Board of Directors of the Company. In compliance of the relevant provisions of the Act, the evaluation of the Board, its committees and that of its individual directors has been carried out during the year.

The evaluation process covered the aspects which included participation in the long term strategic planning, contribution to and monitoring of corporate governance practices and the fulfillment of Director's obligation and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

The Nomination and Remuneration Committee at its meeting reviewed the performance of the board as a whole; and that of the individual directors. The Independent Directors at their meeting, reviewed the performance of the Board, Chairman of the Board and of Non-Executive Directors.

The Board at its meeting reviewed the performance of the board as a whole, its Committees and individual Directors, taking into account feedback of the Nomination and Remuneration Committee and the Independent Directors which included the evaluation of the Chairman and Non-Independent Directors of the Company.

DETAILS OF SUBSIDIARY

The Company did not have any subsidiary, joint venture or associate company during the financial year 2015-16. No Company has become or ceased to be a subsidiary, joint venture or associate of the Company in the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the financial year under review, there have been no significant and material orders passed by the regulators or court or tribunal impacting Company's development stage.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 in compliance with Section 134(3)(a) of the Companies Act 2013 and Rules made thereto are annexed to this report as Annexure-4.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of the Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo are annexed to this report as Annexure-5.

DEPOSITS

During the year, the Company has neither accepted any deposit nor has defaulted in repayment of deposit or payment of interest thereon. No deposit remained unpaid or unclaimed as at the end the year under review.

OTHER DISCLOSURES

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

There was no change in the nature of business during FY 2015-16.

ACKNOWLEDGEMENTS

The Directors would like to place on record their appreciation for all employees of the Company for their effort and their contribution of the Company's performance.

The Directors would also like to thank the shareholder, customers, suppliers, bankers, financial institutions, Central and State Government agencies and all other stakeholders for their trust and continuous support to the Company.

For and on behalf of the Board of Directors

**---Sd/---
CHAIRMAN**

Place: Mumbai

Date: 14th June, 2016

ANNEXURE-1

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 2015-16

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Tata Steel Special Economic Zone Limited
2nd Floor Fortune Towers,
Chandrasekharapur, Bhubaneswar
Odisha-751023

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Tata Steel Special Economic Zone Limited** (hereinafter called 'the Company') for the financial year ended **31st March, 2016**. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of **M/s. Tata Steel Special Economic Zone 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 during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Tata Steel Special Economic Zone Limited** ("the Company") for the financial year ended on 31st March, 2016, according to the provisions of:

- (i) The Companies Act, 2013 (the Act), and the Rules made there under;
- (ii) The Companies Act, 1956 and Rules made there under, to the extent for specified sections not yet notified under Companies Act 2013.
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under - **Not applicable during the period under review.**
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under - **Not applicable during the period under review.**

- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not applicable during the period under review.**
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') –
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not applicable during the period under review.**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 - **Not applicable during the period under review.**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015 - **Not applicable during the period under review.**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not applicable during the period under review.**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable during the period under review.**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable during the period under review.**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable during the period under review.**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable during the period under review.**

We have also examined the compliance system of the Company with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

Apart from the above laws, following are the **specific SEZ laws applicable to the Company, and** for the compliance of which the Company has given a declaration.

- 1) The Special Economic Zones Act, 2005
- 2) The Special Economic Zones Rules, 2006
- 3) Odisha SEZ Policy

During the period under review, the Company has complied with all the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We 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 was given to all the 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 clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(A) COMPOSITION OF THE BOARD:

During the financial year under review, the Board of Directors of the Company consists of the following Directors, as detailed below:

List of Directors during the financial year 2015-16				
Sl. No	Name of the Directors	Positions Held	Date of Appointment	Date of Cessation
1.	Mr. T V Narendran	Chairman	29.09.2014	-
		Non-Executive & Non Independent Director		
2.	Mr. Koushik Chatterjee	Non-Executive & Non Independent Director	29.09.2014	-
3.	Mr. Arun Misra	Executive & Non Independent Director	29.09.2014 (Became Managing Director on 27.03.2015)	-
4.	Mr. Krishnava Dutt	Independent Director	11.12.2015	-
5.	Mr. Manoj T. Thomas	Independent Director	11.12.2015	-
6.	Ms. Samita Shah	Non-Executive & Non Independent Director	22.03.2016	-

List of Key Managerial Personnel (KMPs) during the financial year 2015-16				
Sl. No.	Name of the Directors	Positions Held	Date of Appointment	Date of Cessation
1.	Mr. Arun Misra	Managing Director	27.03.2015	-
2.	Mr. Tanmay Kumar Sahu	Company Secretary	27.03.2015	-
		Chief Financial Officer		

In view of the above, the composition of the Board as on 31st March, 2016 is in compliance with the provisions of Companies Act, 2013 and Rules made there under.

(B) BOARD MEETINGS:

During the financial year under review, five (5) Meetings of the Board of Directors were held.

All the meetings were convened as per the provisions of the Companies Act, 2013 and as per the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI). The requisite quorum was present in all the Board Meetings held during the financial year as per the provisions and requirements of the Companies Act, 2013 and Articles of Association of the Company.

All decisions at the General Meetings, Board Meetings and Committee Meetings were carried out unanimously and recorded in the minute book of the respective meetings.

Separate Meeting of the Independent Directors:

As per Section 149(8) read with Clause VII of Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors of the Company has been held on 31st March, 2016.

(C) STATUTORY COMMITTEES OF THE BOARD:

During the financial year under review, the Company has constituted the following Statutory Committees of the Board in compliance with the applicable provisions of the Companies Act, 2013 and Rules made there under –

- I. Audit Committee.
- II. Nomination & Remuneration Committee.

All the meetings of the Committees were convened as per the provisions of the Companies Act, 2013 and as per the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

(D) MAINTENANCE OF STATUTORY REGISTERS & RECORDS:

The **Statutory Registers & Records** have been kept and maintained properly by the Company with all the necessary entries made therein as prescribed under various provisions of the Companies Act, 2013 and rules made there under.

(E) FILING OF STATUTORY RETURNS:

All provisions of the Act and other statutes are duly complied with regard to timely filing of various forms and returns with the Registrar of Companies.

We further report that;

During the period under review, the company has taken following actions which have a major bearing on the affairs of the Company:

- 1) The Authorised Share Capital of the Company increased from Rs. 150.00 Crores to Rs. 250.00 Crores.
- 2) The Company had issued and allotted Right Shares of Rs. 59,67,00,000/- divided into 5,96,70,000 no. of Equity Shares @ Rs. 10 per share to M/s. Tata Steel Limited (The Wholly Owned Holding Company).

We further report that on the basis of documents and explanations provided by the Management, 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.

For Saroj Ray & Associates
Company Secretaries

-----Sd/---
CS Saroj Kumar Ray, FCS
Partner
FCS No: 5098
CP No: 3770

Place: Bhubaneswar
Date: 26th April, 2016

This report is to be read with our letter of event date which is annexed as **Annexure-A** and forms an integral part of this report.

Annexure A

To,
The Members
Tata Steel Special Economic Zone Limited
C/O. Tata Steel Limited
Fortune Towers, 2nd Floor, Chandrasekharpur
Bhubaneswar-751016, Odisha

Our report of event date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by the Company provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Saroj Ray & Associates
Company Secretaries

-----Sd/---
CS Saroj Kumar Ray, FCS
Partner
FCS No: 5098
CP No: 3770

Place: Bhubaneswar
Date : 26th April, 2016

ANNEXURE-2

[Policy on appointment and removal of directors]

POLICY ON APPOINTMENT AND REMOVAL OF DIRECTORS

1. INTRODUCTION

- 1.1 In terms of Section 178 of the Companies Act, 2013, rules made thereunder and the Listing Regulations as amended from time to time, the Committee has formulated this policy on appointment and removal of Directors. The Policy has been adopted by the NRC vide its resolution dated 31st March, 2016 and approved by the Board of Directors vide its resolution dated 31st March, 2016.
- 1.2 This policy will be applicable to the Company to the extent required under the Companies Act, 2013 as the Company is not a listed Company. The Compliance of provisions of Listing Regulations forming part of this policy are to be observed as best practices and are voluntary in nature.
- 1.3 This policy shall act as a guideline for determining qualifications, positive attributes, independence of a Director and matters relating to the appointment and removal of Directors.

2. OBJECTIVE OF THE POLICY

- 2.1. To lay down criteria and terms and conditions with regards to the identification of persons who are qualified to become Directors (executive, non-executive and independent) including their qualifications, positive attributes and independence. [CA Sec. 178] and who may be appointed as the Senior Management of the Company.

3. APPOINTMENT OF DIRECTORS

This Policy enumerates guidelines to be used by NRC in selecting/appointing/re-appointing and removal of a Director

For all the above stated matters, the Parent Company/GIM Center may make suggestions from time to time, to Chairman, NRC or to representative of the Parent Company, who may incorporate the same while recommending to the Board.

- 3.1. Assess skill-sets the Board needs given the strategies, challenges faced by the Company.

- 3.2. In selecting individuals for appointment/re-appointment/removal of directors, the NRC to refer to the following guidelines/policies:
 - 3.2.1. Board Membership Criteria (Refer Schedule A)
 - 3.2.2. Board Diversity Policy, if any, framed as per the requirement of law (Refer Schedule B)
 - 3.2.3. Criteria for determining independence of directors (in case of appointment of Independent Directors (Refer Schedule C)
- 3.3. Request candidature from the database maintained by Parent Company/GIM Center.
- 3.4. NRC members (either jointly/individually, as delegated) shall meet the potential candidate and assess his/her suitability for the role.
- 3.5. NRC to recommend the appointment of shortlisted candidate to the Board for its consideration.
- 3.6. Emergency Succession: If position of a Director suddenly become vacant by reason of death or other unanticipated occurrence, the NRC shall convene a special meeting at the earliest opportunity to fill such vacancy.

4. POLICY IMPLEMENTATION

- 4.1. The Committee is responsible for recommending this Policy to the Board.
- 4.2. The Board is responsible for approving and overseeing implementation of this Policy (with the support of the Committee)

5. REVIEW OF THE POLICY

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.

6. APPLICABILITY TO SUBSIDIARY / ASSOCIATE /JOINT VENTURE COMPANIES

This Policy may be adopted by the Company's subsidiaries/ Associates and Joint Ventures, if any, subject to suitable modifications and approval of the Board of Directors of the respective companies.

7. COMPLIANCE RESPONSIBILITY

Compliance of this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

Schedule-A (BOARD MEMBERSHIP CRITERIA)

The Nominations and Remuneration Committee 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 Tata Steel Special Economic Zone Limited.

Schedule-B (Board Diversity Policy)

1. PURPOSE

The need for diversity in the Board has come into focus post the changes in the provisions of the Companies Act, 2013 ("Act") and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Listing Regulations.

The NRC has framed this policy to set out the approach to diversity on the Board of the Company ("Policy").

2. SCOPE

This Policy is applicable to the Board of the Company.

3. POLICY STATEMENT

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/GIM Center.

4. MONITORING AND REPORTING

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

5. REVIEW OF THE POLICY

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

6. APPLICABILITY TO SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

This Policy may be adopted by the Company's subsidiaries/ Associates and Joint Ventures, if any, subject to suitable modifications and approval of the board of directors of the respective companies.

7. COMPLIANCE RESPONSIBILITY

Compliance of this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

Schedule-C (Criteria for determining independence of directors)

1. PURPOSE

The purpose of this policy is to define guidelines that will be used by the Board to assess the independence of Directors of the Company.

2. INDEPENDENCE GUIDELINES

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. An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b.
 - i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
 - ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives—
 - i. holds or has held the position of a key managerial personnel 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;

- ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - 1. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - 2. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
- iii. holds together with his relatives two percent or more of the total voting power of the company; or
- iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company; or
- f. An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

3. DEFINITIONS IN ADDITION TO THOSE PROVIDED ABOVE

- a. "Nominee Director" implies a Director nominated by any financial institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any government or any other person to represent its interests. [Companies Act 2013 – 149 Explanation]
- b. "Associate Company" in relation to another company, means a company in which that other company has a significant influence, but

which is not a subsidiary company of the company having such influence and includes a joint venture company. [Sec 2(6) of CA, 2013]

Explanation.—For the purposes of this clause, “significant influence” means control of at least twenty per cent. of total share capital, or of business decisions under an agreement;

- c. “Relative” implies anyone who is related to another if they are members of HUF; if they are husband and wife; or if one person is related to the other in such manner as may be prescribed under the Act. A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely – Father (includes step-father), Mother (includes step-mother), Son (includes step-son), Son’s wife, Daughter, Daughter’s husband, Brother (includes step-brother), Sister (includes step-sister) [CA Sec. 277]

4. EXPLANATIONS:

Consecutive Terms: He/ she shall be eligible for appointment as Independent Director after the expiration of three years of ceasing to be a Director on the Board of the Company provided that he / she shall not during the said period of three years, be appointed in or associated with Tata Steel Special Economic Zone Limited in any other category, either directly or indirectly.

ANNEXURE-3**REMUNERATION POLICY OF DIRECTORS, KMPs AND OTHER EMPLOYEES**

The philosophy for remuneration of directors, Key Managerial Personnel (“KMP”) and all other employees of Tata Steel Special Economic Zone Limited (“Company”) is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 (“Act”) and Clause 49(IV)(B)(1) of the Equity Listing Regulations (“Listing Regulations”). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee (“NRC”) has considered the factors laid down under Section 178(4) of the Act, which are as under:

- (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”

For all matters related to remuneration to directors, the Parent Company/GIM Center may make suggestions from time to time, to Chairman, NRC or to representative of the Parent Company, who may incorporate the same while recommending to the Board.

Key principles governing this remuneration policy are as follows:

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

2.1.1 Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)

2.1.2 Driven by the role played by the individual,

2.1.3 Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay,

2.1.4 Consistent with recognized best practices and

2.1.5 Aligned to any regulatory requirements.

2.2 In terms of remuneration mix or composition,

2.2.1 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.

2.2.2 Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.

2.2.3 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 reimbursements or insurance cover and accidental death and dismemberment through personal accident insurance.

2.2.4 The company provides retirement benefits as applicable.

2.2.5 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.

2.2.6 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

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

3.2 The services rendered are of a professional nature; and

3.3 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.

5. Others

5.1 Policy implementation

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

5.2 Review of the Policy

This Policy will be reviewed and reassessed by the NRC 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.

5.3 Applicability to subsidiaries, associates and joint venture companies

This policy may be adopted by the company's subsidiaries, associates and joint venture companies, if any, subject to suitable modifications and approval of the board of directors of the respective companies.

5.4 Compliance Responsibility

Compliance of this policy shall be the responsibility of the Company Secretary of the company who shall have the power to ask for any information or clarification from the management in this regard.

GLOSSARY

“Act” or “CA,2013” or “CA”	means the Companies Act, 2013, to the extent notified, from time to time, and includes any re-enactment thereof, with all schedules and tables thereunder, as notified, with effect from the date of such notification in the official gazette of India including all rules, notifications, circulars, clarifications and orders issued thereunder including certain provisions of the Companies Act, 1956, as and where specified, and “Section” shall mean a section of the said Act
“Board”	implies the Board of Directors of the Company
“Company”	implies “Tata Steel Special Economic Zone Limited”
“Committee”/or “NRC”	implies the Nomination and Remuneration Committee of the Company
“Directors”	implies the directors on the Board
“Executive Director” or “ED”	implies Executive Director of the Company
“Independent Director” or “ID”	implies a non-executive Director of the Company, other than a nominee Director and who is neither a promoter nor belongs to the promoter group of the Company, and who satisfies other criteria for independence mentioned in the Companies Act, 2013 and the Listing Regulations entered into, with the respective Stock Exchanges in India
“Key Managerial Personnel” “KMP”	In relation to the Company, means the following key managerial personnel: the Chief Executive Officer and/or Managing Director Company Secretary Whole-time Director Chief Financial Officer
“Listing Regulations” or “LA”	implies the Listing Regulations as entered into by the Company with the Stock Exchanges in India
“MD”	implies the Managing Director of the Company
“Policy”	implies this Policy on appointment and removal of Directors as framed by the Committee; Policy on remuneration for directors,

key managerial personnel and other employees; Process and criteria for annual performance evaluation of the Board, its Committees and Directors, as applicable

“Parent Company”	Parent Company means a person/company who has control over the affairs of the Company, directly or indirectly, as a shareholder or otherwise and in accordance with whose advice, directions or instructions, the Board of Directors of the company is accustomed to act.
“Group Investment Management Center” or “GIM Center”	Group Investment Management Center means department of Tata Steel Corporate function led by Group Director (Investments and New Ventures), Tata Steel. GIM acts as a single window among the Tata Steel Group Companies (i.e. Tata Steel, its subsidiaries, associates and JVs).

ANNEXURE-4**Extract of Annual Return as on 31st March 2016**

{Pursuant to section 92(3) of the Companies Act 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014}

Form No. MGT 9**REGISTRATION AND OTHER DETAILS:**

CIN	U45201OR2006PLC008971
Registration Date	11 th October, 2006
Name of the Company	Tata Steel Special Economic Zone Limited
Category/sub-category of the Company	Public unlisted company having share capital
Address of the registered Office and contact details	2-B Fortune Tower Chandrasekharpur, Odisha-751023 tanmay.sahu@tatasteelsez.com
Whether listed Company-Yes/No	No
Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr no	Name and Description of the main products	NIC Code of the Company	% to total turnover of the Company
Not applicable			

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr no	Name of the Company	CIN/GLN	Holding /Subsidiary /Associate	% of shares held	Applicable Section
1.	Tata Steel Limited including its nominees	L27100MH1907P LC000260	Holding	100%	2(46)

SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of the Total Equity)

Category-wise Shareholding

	Category of shareholders	No of shares held							% change during the year	
		Beginning of the Year (1 April 2015)				End of the Year (31 March 2016)				
		De mat	Physical	Total	% of Total Share	De mat	Physical	Total		% of Total Share
(A) Promoters (Including Promoter Group)										
(1)	Indian	-	-	-	-	-	-	-	-	-
(a)	Individuals/Hindu undivided Family	-	60	60	0.00	-	60	60	0.00	-
(b)	Central Government	-	-	-	-	-	-	-	-	-
(c)	State Government	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	-	32422571	32422571	99.99	-	92092571	92092571	99.99	184.04
(e)	Banks/Financial Institutions									
(f)	Any other(Trust)									
Sub Total (A) (1)		-	32422631	32422631	100.00		92092631	92092631	100.00	100.00
(2)	Foreign	-	-	-	-	-	-	-	-	-
(a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b)	Other Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks/Financial institutions	-	-	-	-	-	-	-	-	-
(e)	Any other(Specify)	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)		-	-	-	-		-	-	-	-
Total Shareholding of Promoter and promoter group(A)=(A)(1)+(A)(2)		-	32422631	32422631	100.00		92092631	92092631	100.00	100.00
(B)Public Shareholding-										
		-	-	-	-	-	-	-	-	-
(C) Shares held by Custodian for GDRs and ADRs										
		-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)			32422631	32422631	100.00		92092631	92092631	100.00	100.00

Shareholding of Promoters

Sr. no	Shareholder's Name	No of Shares held						
		Beginning of the year (1 st April 2015)			End of the year (31 st March 2016)			
		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	% change in shareholding during the year
1	Tata Steel Limited & Nominees	32422631	100%	-	92092631	100%	-	184.04%

Change in Promoter's Shareholding, please specify if no change

Name of the Shareholder	Date	Shareholding at the Beginning of the year i.e. 1 st April 2015		Cumulative Shareholding during the year i.e. (1 st April 2015 to 31 st March 2016)	
		No. of shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
Tata Steel Limited & its nominees					
At the beginning of the year	April 1, 2015	32422631	100%	32422631	100.00%
Allotment made during the year	11-12-2015	14130000	43.58%	46552631	143.58%
	25-2-2016	30190000	93.11%	76742631	236.69%
	31-3-2016	15350000	47.34%	92092631	284.04%
At the end of the year	March 31, 2016	92092631	284.04%	-	-

Shareholding Pattern of top ten Shareholders (Other than Directors, promoters and Holders of GDRs and ADRs)

Sr no	Name of the Shareholder	Shareholding at the beginning of the year (1st April 2015)		Cumulative Shareholding at the end of the year (31 st March 2016)	
		No. of shares	% of Total shares of the Company	No. of Shares	% of Total shares of the Company
-----NIL-----					

Shareholding of Directors and Key Managerial Personnel-

Sr no	For each of the Directors and KMP	Shareholding at the beginning of the year (1st April 2015)		Cumulative Shareholding at the end of the year (31 st march 2016)	
		No. of shares	% of Total shares of the Company	No. of Shares	% of Total shares of the Company
1	Mr. T.V. Narendran*	10	0.00	10	0.00
2	Mr. Koushik Chatterjee*	10	0.00	10	0.00
3	Mr. Arun Misra*	10	0.00	10	0.00

* Jointly Holding with Tata Steel Limited as nominees of Tata Steel.

INDEBTEDNESS

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

Particulars	Secured Loan excluding deposits	Unsecured Loan	Deposits	Total indebtedness
-----NIL-----				

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Remuneration of Managing Director, Whole time Director and/or Manager:

-----NIL-----

Remuneration to other Directors:

-----NIL-----

Remuneration to KMP other than MD/Manager/WTD:

Sr. no	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Mr. Tanmay Kumar Sahu	
		CFO & Company Secretary	
1.	Gross Salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32,71,413/-	32,71,413/-
	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission- as % of profit	-	-
5	Others (retirement benefit)	-	-
	Total	32,71,413/-	32,71,413/-

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishments/compounding offences for the year ended 31st March 2016.

-----Sd-----
Managing Director

-----Sd-----
Company Secretary

Place : Mumbai
Date : 14th June, 2016

ANNEXURE-5

Particulars of Conservation of Energy, Technology absorption, Foreign exchange earnings and outgo

CONSERVATION OF ENERGY:

Tata Steel Special Economic Zone Limited is in a project stage. The Company has a keen interest in putting emphasis on devising methods to reduce energy consumption. However, the commercial production of the company is yet to commence. So, the company has not taken any measures.

TECHNOLOGY ABSORPTION:

The Company is yet to start its operations. So, there are no such efforts made in form of expenditure towards technology absorption and Research and Development.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The foreign exchange earned in terms of actual inflow and the foreign exchange outgo in terms of actual outflow during the year is given as under:

Foreign Exchange earned in terms of actual inflow	: NIL
Foreign Exchange outgo in terms of actual outflow	: SGD 10,10,000.00/ (INR. 4,67,91,395/-)

Measures for improving the Foreign Currency inflows:

The Company is setting up Special Economic Zone which will result in foreign currency inflows to the country. The Company is targeting various international investors for investments in the SEZ project.