

JSL:STEXGLTRS:2012:  
October 31, 2012

Fax / Email / Courier

National Stock Exchange of India Ltd.  
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Plot No. C/1, G-Block,  
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Mumbai – 400 051.  
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**Kind Attn. Listing Section**


Dear Sir,

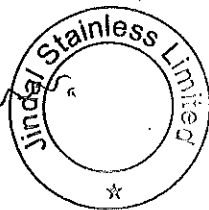
We are forwarding herewith Limited Review Report for the quarter ended 30<sup>th</sup> September, 2012 duly signed by the statutory auditors of the Company, as per provisions of Clause 41 of the Listing Agreement.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully  
for Jindal Stainless Limited  
(Formerly JSL Stainless Ltd.)

  
(Jitendra Kumar)  
Company Secretary



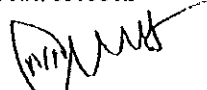
Encl. As above

To,  
The Board of Directors,  
Jindal Stainless Limited,  
O.P. Jindal Marg,  
Hisar.

Limited Review Report for the quarter and half Year ended 30<sup>th</sup> September, 2012

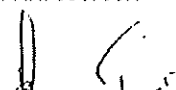
1. We have reviewed the accompanying statement of unaudited financial results of Jindal Stainless Limited for the quarter and half year ended 30<sup>th</sup> September, 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. Results for the aforesaid quarter and period relating to Visakhapatnam division of the company have been reviewed by branch auditors and their review report has been taken into consideration for drafting this report. We have also reviewed statement of assets and liabilities. The statement of quarterly and half yearly financial results has been prepared from interim financial statements which are the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by independent auditors of the entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provided less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualification attention is drawn to:
  - (i) Pending confirmation of balances of secured loans for the period covered by this report read with note no. 33(vi) together with note no. 40(B) of audited accounts for the year ended 31<sup>st</sup> March 2012, and
  - (ii) Investment and loan & advances to certain subsidiary companies, for the reason stated in note mentioned hereinafter, no provision for diminution in value is necessary in the opinion of management, for the period covered by this report read with note no. 40(C) together with note no. 12 of audited accounts for the year ended 31<sup>st</sup> March 2012.
4. Based on our review conducted as above, nothing has come to our attention read with our comments in para 3 above, that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Lodha & Co.,  
Chartered Accountants  
FRN: 301051E

  
(N. K. Lodha)  
Partner  
M. No. 85155  
Place: New Delhi  
Dated: 31<sup>st</sup> Oct, 2012



For S.S.Kothari Mehta & Co.,  
Chartered Accountants  
FRN: 000756N

  
(Arun K. Tulsian)  
Partner  
M.No. 89907

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012**

(Rs in crores, except per share data)

Particulars	Unaudited for the quarter ended			Unaudited for the half year ended		Audited for the year ended
	30th Sep, 2012	30th June, 2012	30th Sep, 2011	30th Sep, 2012	30th Sep, 2011	31st March, 2012
<b>1 Income from Operation:</b>						
Gross Sales / Income from Operations	2,664.43	2,403.05	1,975.78	5,067.48	4,102.48	8,471.23
Less: Excise Duty on sales	207.14	196.36	142.19	403.50	296.06	607.28
(a) Net Sales / Income from Operations	2,457.29	2,206.69	1,833.59	4,663.98	3,806.42	7,863.95
(b) Other Operating Income	6.57	10.21	4.00	16.78	8.10	27.10
<b>Total Income from Operations (net) [1 (a)+1 (b)]</b>	<b>2,463.86</b>	<b>2,216.90</b>	<b>1,837.59</b>	<b>4,680.76</b>	<b>3,814.52</b>	<b>7,891.05</b>
<b>2 Expenses</b>						
(a) Cost of Material Consumed	1,865.05	1,680.74	1,228.37	3,545.79	2,484.46	5,653.64
(b) Purchase of Stock in Trade	3.95	15.21	16.81	19.16	77.64	96.90
(c) Changes in Inventories of finished goods, work in progress and stock in trade	(70.93)	(237.44)	(25.28)	(308.37)	(51.74)	(435.34)
(d) Employee benefits expense	60.05	59.94	44.14	119.99	89.03	169.83
(e) Depreciation and amortisation expense	171.37	170.13	93.96	341.50	183.07	408.61
(f) Stores and Spares consumed	123.26	109.50	91.73	232.76	175.51	374.07
(g) Power & Fuel	201.60	217.88	156.51	419.48	304.69	646.29
(h) Other expenditure	163.71	139.69	111.30	303.40	219.41	481.61
<b>Total Expenses</b>	<b>2,518.06</b>	<b>2,155.65</b>	<b>1,717.54</b>	<b>4,673.71</b>	<b>3,482.07</b>	<b>7,395.61</b>
<b>3 Profit / (Loss) from Operations before other Income, Finance Cost and Exceptional Items (1-2)</b>	<b>(54.20)</b>	<b>61.25</b>	<b>120.05</b>	<b>7.05</b>	<b>332.45</b>	<b>495.44</b>
<b>4 Other Income</b>	<b>9.58</b>	<b>14.70</b>	<b>19.77</b>	<b>24.28</b>	<b>33.83</b>	<b>75.31</b>
<b>5 Profit / (Loss) from Ordinary Activities before finance cost and exceptional Items (3+4)</b>	<b>(44.62)</b>	<b>75.95</b>	<b>139.82</b>	<b>31.33</b>	<b>366.28</b>	<b>570.75</b>
<b>6 Finance cost</b>	<b>250.57</b>	<b>207.11</b>	<b>125.06</b>	<b>457.68</b>	<b>241.50</b>	<b>516.80</b>
<b>7 Profit / (loss) from Ordinary Activities after finance cost but before exceptional Items (5-6)</b>	<b>(295.19)</b>	<b>(131.16)</b>	<b>14.76</b>	<b>(426.35)</b>	<b>124.78</b>	<b>53.95</b>
<b>8 Exceptional Items - Gain / (Loss) - Refer note no 3</b>	<b>67.76</b>	<b>(209.13)</b>	<b>(159.31)</b>	<b>(141.37)</b>	<b>(142.18)</b>	<b>(207.76)</b>
<b>9 Profit / (loss) from Ordinary Activities before tax (7+8)</b>	<b>(227.43)</b>	<b>(340.29)</b>	<b>(144.55)</b>	<b>(567.72)</b>	<b>(17.40)</b>	<b>(153.81)</b>
<b>10 Tax expense</b>	<b>(75.17)</b>	<b>(108.88)</b>	<b>(46.61)</b>	<b>(184.05)</b>	<b>(5.25)</b>	<b>(49.91)</b>
<b>11 Net profit / (loss) from Ordinary Activities after tax (9-10)</b>	<b>(152.26)</b>	<b>(231.41)</b>	<b>(97.94)</b>	<b>(383.67)</b>	<b>(12.15)</b>	<b>(103.90)</b>
<b>12 Extraordinary Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13 Net profit / (loss) for the period (11-12)</b>	<b>(152.26)</b>	<b>(231.41)</b>	<b>(97.94)</b>	<b>(383.67)</b>	<b>(12.15)</b>	<b>(103.90)</b>
<b>14 Paid-up Equity Share Capital (face value of Rs. 2/- each)</b>	<b>38.11</b>	<b>37.96</b>	<b>37.61</b>	<b>38.11</b>	<b>37.61</b>	<b>37.90</b>
<b>15 Reserves excluding revaluation reserve as per balance sheet of previous accounting year</b>						<b>2,144.23</b>
<b>16 Earning per share (EPS) (of Rs 2/-each)</b>						
a) - Basic	(8.02)	(12.21)	(5.22)	(20.21)	(0.65)	(5.52)
b) - Diluted	(8.05)	(12.21)	(5.22)	(20.21)	(0.65)	(5.52)
(EPS for the quarter and half year not annualised)						
Debt Redemption Reserve				64.48	72.66	67.97
Debt Equity Ratio <sup>1</sup>				5.91	4.29	4.58
Debt Service Coverage Ratio <sup>2</sup>				0.10	1.44	1.02
Interest Service Coverage Ratio <sup>3</sup>				0.18	1.52	1.10
<b>A PARTICULARS OF SHAREHOLDING</b>						
<b>1 Public Shareholding</b>						
- Number of Shares	98,455,963	97,726,019	95,974,153	98,455,963	95,974,153	97,434,041
- Percentage of Shareholding	56.94	56.75	56.31	56.94	56.31	56.68
<b>2 Promoters and promoter group shareholding</b>						
(a) Pledged / Encumbered :						
Number of shares#	65,306,625	65,306,625	65,306,625	65,306,625	65,306,625	65,306,625
% of shares (as a % of the total shareholding of promoter and promoter group)	87.70	87.70	87.70	87.70	87.70	87.70
% of shares (as a % of the total share capital* of the company)	34.28	34.41	34.73	34.28	34.73	34.46
(b) Non -encumbered:						
Number of shares	9,160,625	9,160,625	9,160,625	9,160,625	9,160,625	9,160,625
% of shares (as a % of the total shareholding of promoter and promoter group)	12.30	12.30	12.30	12.30	12.30	12.30
% of shares (as a % of the total share capital* of the company)	4.81	4.83	4.87	4.81	4.87	4.83

#This Includes 22,465,480 equity shares placed under lodgement/negative lien. \*Total share capital includes 17,604,334 shares represented by 8,802,167 GDS.

<sup>1</sup> Debt Equity Ratio = Total Debt/Net Worth ; Net Worth = Equity Share Capital + Reserve & Surplus - Mines Development Expenses to the extent not w/off

<sup>2</sup> Debt Service Coverage Ratio = Earning before Interest, Tax & Exceptional Items / (Finance cost net of FITL+Repayments during the period)

<sup>3</sup> Interest Service Coverage Ratio = Earning before Interest, Tax & Exceptional Items / Finance cost net of FITL

Particulars		3 months ended (30th Sep 2012)
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	3
	Disposed of during the quarter	3
	Remaining unresolved at the end of the quarter	-

Standalone Statement of Assets and Liabilities		As at	
		30th September 2012	31st March 2012
Particulars		Unaudited	Audited
A	<b>EQUITY AND LIABILITIES</b>		
1	Shareholders' funds		
a)	Share Capital	38.10	37.90
b)	Reserve and Surplus	1,773.66	2,144.23
c)	Money received against share warrants	-	-
	Sub-total - Shareholders' funds	1,811.76	2,182.13
2	Share Application Money pending allotment	-	-
3	Minority Interest	-	-
4	<b>Non Current Liabilities</b>		
a)	Long Term borrowings	8,303.23	7,712.58
b)	Deferred tax liabilities (net)	210.52	394.57
c)	Other Long term liabilities	8.87	12.65
d)	Long term provisions	8.98	8.68
	Sub-total - Non Current Liabilities	8,531.60	8,128.48
5	<b>Current Liabilities</b>		
a)	Short Term borrowings	1,943.50	1,531.45
b)	Trade payables	2,690.17	2,033.95
c)	Other Current liabilities	1,444.70	1,810.75
d)	Short term provisions	376.60	377.43
	Sub-total - Current Liabilities	6,454.97	5,753.58
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>16,798.33</b>	<b>16,064.19</b>
B	<b>ASSETS</b>		
1	<b>Non Current Assets</b>		
a)	Fixed Assets	10,144.28	10,216.88
b)	Goodwill on consolidation	-	-
c)	Non-Current Investments	168.86	168.86
d)	Deferred tax assets (net)	-	-
e)	Long term loans and advances	136.31	206.03
f)	Other non current assets	16.76	22.14
	Sub-total - Non Current Assets	10,466.21	10,613.91
2	<b>Current Assets</b>		
a)	Current Investments	1.00	1.04
b)	Inventories	3,086.78	2,702.76
c)	Trade Receivable	1,769.29	1,505.66
d)	Cash and Cash equivalents	94.39	164.20
e)	Short term loans and advances	1,376.75	1,072.65
f)	Other current assets	3.91	3.97
	Sub-total - Current Assets	6,332.12	5,450.28
	<b>TOTAL - ASSETS</b>	<b>16,798.33</b>	<b>16,064.19</b>

**Notes:**

- The financial results of the Company for the quarter and half year ended 30th Sep 2012 have been reviewed by the Audit committee and taken on record by the Board of Directors in its meeting held on 31st October 2012 and the limited review of the same has been carried out by the statutory auditors.
- The Rework proposal of the Company for restructuring of its debts under the CDR mechanism with cut off date of 31st March 2012 has been approved by the CDR Empowered Group vide their meeting held on 24th August 2012. Consequently, upward revision in finance cost has been considered in quarter and half year ended 30th September 2012. Restructuring of ECB of USD 225 Mn is under negotiation.
- Due to volatile movement in value of the rupee against US Dollar, the net foreign exchange gain/loss has been considered by the Company as exceptional in nature.
- Results have been adversely impacted during the quarter ended 30th September 2012 on account of:
  - Subdued economic conditions both internationally and domestically,
  - Surge in imports of stainless steel flat products into India,
  - Stainless steel production facility at Odisha is under ramp up.
- Upon receipt of FCCB conversion notices dated 17th August, 2012 and 18th September 2012, the Company has allotted 7,29,944 fresh equity shares of Rs 2/- each at a fixed exchange rate of Rs 43.75, at a conversion price of Rs 119.872 per share. Consequently, as on 30th September 2012 the paid up share capital of the Company stood at Rs 38,10,55,094/- divided into 19,05,27,547 equity shares of Rs 2/- each.
- The Company has entered into a new long term contract for coke oven tolling with Stemcor India Private Limited.
- As the Company's business activity falls within a single primary business segment viz. 'stainless steel', the disclosure requirement of Accounting Standard (AS-17) on "Segment Reporting" is not applicable.
- The previous quarter/year figures have been regrouped wherever necessary.

Place: New Delhi  
Date: 31st October, 2012

**RAMESH R. NAIR**  
President & Executive Director