

JSL:BM:2014:
November 12, 2014

Fax / Email / Courier

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051.
Fax (022) 66418125-26
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Kind Attn. Listing Section

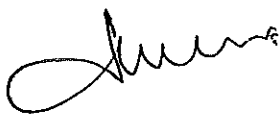
Dear Sir,

We are forwarding herewith Limited Review Report for the 2nd quarter and half year ended 30th September, 2014 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



(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 30th Sep, 2014

1. We have reviewed the accompanying statement of standalone unaudited financial results of Jindal Stainless Limited ("the Company") for the quarter and half year ended 30th September, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II – Select Information referred to in para 5 below. Results for the aforesaid quarter and half year 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 statements of assets and liabilities of the company as on that date. 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 results 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 the 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 misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying, attention is drawn to:-
 - i. Pending necessary approvals for managerial remuneration for the period covered by this report read with Note no. 53(C)(i) of audited accounts for the year ended 31st March, 2014;
 - ii. Pending confirmations of balances of a few of the secured loans and receivables for the period covered by this report read with Note no 32A(iv)e together with note no 40(B) & 40(A) of audited accounts for the year ended 31st March 2014;
 - iii. Investment and loan & advances to certain subsidiary companies, considered good & fully realizable/ recoverable and 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) of audited accounts for the year ended 31st March 2014; and
 - iv. Net worth of the company has become negative as stated in the note no. 2 of accompanying financial statements. Management is confident that the company is in a position to pay all its liabilities / obligations out of its assets, if realized in ordinary course of business, accordingly the company continues to prepare its accounts on a going concern basis.
4. Based on our review conducted as above and read with Para 3 above, nothing further has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) 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 with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. Further, we also report that we have traced the number of shares as well as percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of share pledged / encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreement with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II – Select Information for the quarter ended 30.09.2014 of the statement, from the details furnished by the Registrars.

For LODHA & CO.
Chartered Accountants
FRN: 301051E

N.K. LODHA
Partner
Membership No. 85155



Place: New Delhi

Dated: 12/11/2014

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants
FRN: 000756N

ARUNK. TOLSIAN
Partner
Membership No. 89907



Jindal Stainless Limited

Regd. Office: O.P.Jindal Marg, Hisar-125 005 (Haryana)

Ph. No. (01662) 222471-83, Fax No. (01662) 220499, Email Id. for Investors: investorcare@jindalstainless.com,

Website: www.jindalstainless.com, CIN: L26922HR1980PLC010901



UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED 30TH SEPTEMBER, 2014

Part I		(Rs. In crore, except per share data)					
1	Particulars	Unaudited for the quarter ended			Unaudited for the half year ended		Audited for the year ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
1	Income from operations						
(a)	Net Sales / income from operations (Net of excise duty)	3,296.62	3,232.43	3,032.47	6,529.05	5,857.81	11,922.57
(b)	Other operating income	7.15	5.32	4.85	12.47	9.48	24.41
	Total Income from Operations (net) [1(a)+1(b)]	3,303.77	3,237.75	3,037.32	6,541.52	5,867.29	11,946.98
2	Expenses						
(a)	Cost of materials consumed	2,211.55	2,205.35	1,731.81	4,416.90	3,845.22	7,862.51
(b)	Purchase of stock in trade	-	-	-	-	-	26.31
(c)	Changes in inventories of finished goods, work in progress and stock in trade	26.38	(123.83)	331.33	(97.45)	93.78	119.63
(d)	Employees benefits expenses	64.35	64.01	62.38	128.36	124.33	239.33
(e)	Depreciation and amortisation expenses	133.44	123.86	167.84	257.30	335.09	687.66
(f)	Stores and Spares consumed	196.39	189.30	172.09	385.69	332.27	713.22
(g)	Power & Fuel	382.74	344.78	293.91	727.52	593.21	1,272.06
(h)	Other expenditure	208.21	218.45	201.25	426.66	407.91	834.32
	Total Expenses	3,223.06	3,021.92	2,960.61	6,244.98	5,731.81	11,755.04
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	80.71	215.83	76.71	296.54	135.48	191.94
4	Other Income	11.51	9.47	14.26	20.98	23.31	46.12
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	92.22	225.30	90.97	317.52	158.79	238.06
6	Finance costs	342.63	341.73	296.10	684.36	584.82	1,234.70
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(250.41)	(116.43)	(205.13)	(366.84)	(426.03)	(996.64)
8	Exceptional items - Gain / (Loss) - Refer note no 6	(6.27)	5.83	(222.77)	(0.44)	(476.89)	(416.90)
9	Profit / (Loss) from ordinary activities before tax (7+8)	(256.68)	(110.60)	(427.90)	(367.28)	(902.92)	(1,413.54)
10	Tax expenses	(1.45)	-	(15.93)	(1.45)	(15.93)	(23.45)
11	Net profit / (Loss) from ordinary activities after tax (9-10)	(255.23)	(110.60)	(411.97)	(365.83)	(886.99)	(1,390.09)
12	Extraordinary items	-	-	-	-	-	-
13	Net profit / (Loss) for the period (11-12)	(255.23)	(110.60)	(411.97)	(365.83)	(886.99)	(1,390.09)
14	Paid up equity shares capital (face value Rs. 2/-)	43.08	43.08	40.82	43.08	40.82	43.08
15	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	147.34
16.i	Earning per share (EPS) (before extraordinary items) (of Rs 2/-each)						
a)	- Basic	(11.85)	(5.14)	(20.19)	(16.99)	(43.46)	(68.03)
b)	- Diluted	(11.85)	(5.14)	(20.19)	(16.99)	(43.46)	(68.03)
	(EPS for the quarter/half year not annualised)						
16.ii	Earning per share (EPS) (after extraordinary items) (of Rs 2/-each)						
a)	- Basic	(11.85)	(5.14)	(20.19)	(16.99)	(43.46)	(68.03)
b)	- Diluted	(11.85)	(5.14)	(20.19)	(16.99)	(43.46)	(68.03)
	(EPS for the quarter/half year not annualised)						
17	Debt Equity Ratio				60.44	64.20	61.06
18	Debt Equity Ratio ¹				@	20.52	62.84
19	Debt Service Coverage Ratio ²				0.38	0.26	0.18
20	Interest Service Coverage Ratio ³				0.46	0.27	0.19

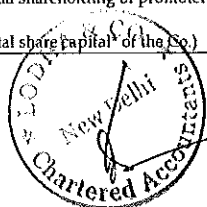
¹Debt Equity Ratio = Total Debt/Net Worth ; Total Debt = Long Term Borrowings + Short Term Borrowings + Current maturities of long term borrowings; Net Worth = Equity Share Capital + Reserve & Surplus - Mines Development Expenses to the extent not w/off

²Debt Service Coverage Ratio = Earning before Interest, Tax & Exceptional Items / (Finance cost + Term Loan Repayments during the period)

³Interest Service Coverage Ratio = Earning before Interest, Tax & Exceptional Items / Finance cost

@ Not given as net worth is negative

PART II		Quarter ended			Half year ended		Year ended
Sr. No.	Particulars	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
A	Particulars of shareholding						
1	Public Shareholding						
-	Number of Shares	99,003,421	99,003,421	98,455,963	99,003,421	98,455,963	99,003,421
-	Percentage of Shareholding	50.06	50.06	52.80	50.06	52.80	50.06
2	Promoters and Promoter group shareholding						
(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 total shareholding of promoter & promoter group)	66.12	66.12	74.20	66.12	74.20	66.12
-	% of shares (as a % of total share capital* of the Co.)	30.32	30.32	32.00	30.32	32.00	30.32
(b)	Non -encumbered:						
-	Number of shares	33,460,625	33,460,625	22,710,625	33,460,625	22,710,625	33,460,625
-	% of shares (as a % of total shareholding of promoter & promoter group)	33.88	33.88	25.80	33.88	25.80	33.88
-	% of shares (as a % of total share capital* of the Co.)	15.54	15.54	11.13	15.54	11.13	15.54



Particulars		3 months ended on 30th September, 2014
B	Investor complaints	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	3
	Disposed of during the quarter	2
	Remaining unresolved at the end of the quarter	1**

*This includes 22,465,480 equity shares pledged under lodgement/negative lien. *Total share capital includes 17,604,334 shares represented by 88,02,167 GDS.

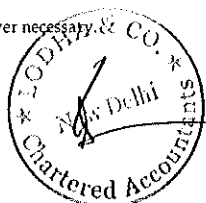
**The said complaint was received on 29.9.2014, hence outstanding at the end of the quarter.

		(Rs. in crore)	
Standalone Statement of Assets and Liabilities		As at	
Particulars		30.09.2014	31.03.2014
		Unaudited	Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share Capital	46.24	46.24
	b) Reserve and Surplus	(233.38)	147.34
	c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	(187.14)	193.58
2	Share Application Money pending allotment	-	-
3	Minority Interest	-	-
4	Non Current Liabilities		
	a) Long Term borrowings	8,409.28	8,508.56
	b) Deferred tax liabilities (net)	-	-
	c) Other Long term liabilities	249.24	276.50
	d) Long term provisions	10.49	7.40
	Sub-total - Non Current liabilities	8,669.01	8,792.46
5	Current Liabilities		
	a) Short Term borrowings	2,835.51	2,402.98
	b) Trade payables	3,245.59	2,839.48
	c) Other Current liabilities	1,443.33	1,460.70
	d) Short term provisions	3.02	3.45
	Sub-total - Current liabilities	7,527.45	6,706.61
TOTAL - EQUITY AND LIABILITIES		16,000.32	15,692.65
B	ASSETS		
1	Non Current Assets		
	a) Fixed Assets	9,388.63	9,591.01
	b) Goodwill on consolidation*	-	-
	c) Non-Current Investments	169.76	169.77
	d) Deferred tax assets (net)	-	-
	e) Long term loans and advances	136.47	142.10
	f) Other non current assets	10.57	12.11
	Sub-total - Non Current Assets	9,705.43	9,914.99
2	Current Assets		
	a) Current Investments	0.31	0.69
	b) Inventories	3,740.21	3,304.88
	c) Trade Receivable	1,673.96	1,689.36
	d) Cash and Cash equivalents	45.46	48.66
	e) Short term loans and advances	830.40	730.05
	f) Other current assets	4.55	4.02
	Sub-total - Current Assets	6,294.89	5,777.66
TOTAL - ASSETS		16,000.32	15,692.65

*Applicable in the case of consolidated statement of assets and Liabilities

NOTES:

- The financial results of the Company for the quarter and half year ended on 30th September, 2014 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 12th November, 2014 and limited review of the same has been carried out by the statutory auditors.
- The company over the last few years has been incurring losses due to which its net worth has fully eroded as on 30th September 2014. Major reasons for the losses have been erosion in margins due to low cost stainless steel imports from China and other countries, unfavorable duty structure, high interest cost and losses on account of fluctuation in exchange rate etc. The Board has already constituted a Reorganization Committee ("The Committee") to explore and evaluate various options of reorganizing the Company's assets in an optimal way. The Committee in consultation with reputed advisors, consultants and legal counsel, has submitted a draft "Asset Monetization and Business Reorganization Plan" ("AMP") to the domestic lenders of the Company for their consideration. The AMP is aimed to facilitate enhancement of the networth and viability of the Company and unlock value for the stakeholders. Once approved, the Company will take the necessary steps for the effective implementation of the AMP in accordance with applicable laws.
- The Hon'ble Supreme Court of India vide order dated 24.09.2014 has cancelled 214 out of 218 coal blocks allotted to various companies/entities, including the combined coal block comprising of Utkal-A and Gopalprasad West (West) allotted to the joint venture company, MJSJ Coal Limited (MJSJ), in which MCL holds 60% stake and the Company holds 9% minority stake. No mining activity/production had commenced in this coal block, and therefore cancellation of this coal block allotted to the Company will not have any material impact on the current operations of the Company. Subsequently, the Coal Mines (Special Provisions) Ordinance, 2014 has been promulgated by the Government of India on 21.10.2014 to provide for auction of 204 coal mines and vesting of the land, mine infrastructure and mining leases in the successful bidders and allottees upon payment of compensation to the prior allottees of these coal mines. The Company is examining the implication of the said ordinance on the Company's investments made so far (Rs.8.56 crore as on 30th Sep 2014 and a Bank Guarantee of Rs.10.01 crore) in MJSJ. Pending this, no adjustment in the value of investments has been considered as the same will be given effect to in the subsequent quarter(s).
- The Company has acquired 99.9% shareholding in "Jindal Stainless (Hisar) Private Limited" and hence it has become a subsidiary of Jindal Stainless Limited w.e.f. 12th November, 2014.
- Pursuant to the requirements of Schedule II of the Companies Act, 2013, the Company has, effective April 1, 2014, reviewed and revised the estimated useful lives of its fixed assets. Consequent thereto, the depreciation charge for the quarter and half year ended on 30.09.2014 is lower by Rs. 43.59 crore and Rs. 94.52 crore respectively. Additional adjustments, if any, based on further refinement of estimates/clarifications from regulators in this regard would be carried out as and when determined.
- Net foreign exchange gain/loss has been considered by the Company as exceptional in nature as per existing practice.
- 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/period figures have been regrouped wherever necessary.



By order of the Board of Directors
For Jindal Stainless Limited

(Jitendra P. Verma)
Executive Director