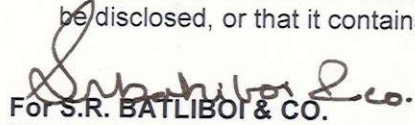
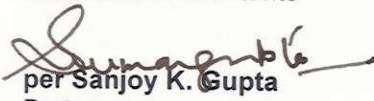


Limited Review Report

**Review Report to
The Board of Directors
Jai Balaji Industries Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Jai Balaji Industries Limited ('the Company') for the quarter ended December 31, 2011 (the "Statement"), 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. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor 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 Statement is 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. *The Income Tax Department had carried out Search and Seizure operations under section 133A of the Income Tax Act, 1961 ('the Act') on the Company in an earlier quarter. Subsequent to the aforesaid, the promoter director of the Company had filed a petition to Income Tax Department, whereby to buy peace and without admitting any irregularities, had surrendered an income of Rs. 3805.50 lacs under section 132(4) of the Act. Accordingly, the management had not accounted for the aforesaid income. However, the Company has accounted for corresponding tax liability of Rs.1228 lacs in earlier quarter. The Income Tax authorities are yet to complete the assessment proceedings in respect of such surrendered income / search and seizure operations. Pending final assessment, we are unable to comment on the possible consequential effects of the above on the accompanying statement of unaudited financial results of the Company.*
In respect of above, our review report for the quarter ended September 30, 2011 was similarly modified.
4. Based on our review conducted as above and except for the possible effect of our comments in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", [notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended)] and other recognised 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 S.R. BATLIBOI & CO.
Firm registration number: 301003E
Chartered Accountants


per Sanjoy K. Gupta
Partner
Membership No.: 54968
Place : Kolkata
Date : February 14, 2012





JAI BALAJI INDUSTRIES LIMITED

UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED 31ST DECEMBER, 2011

(₹ in lacs)

		Quarter Ended			Year to date		(₹ in lacs)
Sl. No.	Particulars	31.12.2011	30.09.2011	31.12.2010	Nine months period ended		Year ended 31.03.2011
		(Unaudited)	(Unaudited)	(Unaudited)	31.12.2011	31.12.2010	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
1.	(a) Net sales / income from operations	58,385.23	64,176.18	58,168.45	180,738.22	148,983.55	214,964.56
	(b) Other operating income	1,000.41	1,131.51	882.22	3,139.27	1,042.54	2,380.78
	Total (1a to 1b)	59,385.64	65,307.69	59,050.67	183,877.49	150,026.09	217,345.34
2.	Expenditure :						
	a) (Increase) / decrease in stock-in-trade and work in progress	(2,632.20)	1,208.50	(3,540.70)	(5,120.25)	(3,275.11)	(2,414.40)
	b) Raw materials consumed	49,819.29	47,604.85	41,425.45	138,096.20	94,945.13	135,846.82
	c) Purchase of traded goods	-	-	540.55	-	4,532.02	4,512.06
	d) Employees cost	1,359.89	1,618.22	1,304.08	4,520.16	3,629.24	5,406.57
	e) Power and fuel	3,506.36	3,716.67	2,641.63	11,416.68	8,146.51	11,012.61
	f) Depreciation / amortisation	2,811.03	2,696.33	2,231.14	8,304.89	5,879.49	8,280.65
	g) Other expenditure	8,678.38	8,550.63	7,727.78	24,964.96	20,288.92	29,214.24
	Total (2a to 2g)	63,542.75	65,395.20	52,329.93	182,182.64	134,146.20	191,858.55
3.	Profit from operations before other income, interest and tax (1)-(2)	(4,157.11)	(87.51)	6,720.74	1,694.85	15,879.89	25,486.79
4.	Other income	249.87	31.26	44.29	299.09	157.38	569.98
5.	Profit before interest and tax (3)+(4)	(3,907.24)	(56.25)	6,765.03	1,993.94	16,037.27	26,056.77
6.	Interest and finance charges (net)	6,511.25	5,698.75	3,789.34	17,177.18	10,131.15	14,487.09
7.	Profit before tax (5)-(6)	(10,418.49)	(5,755.00)	2,975.69	(15,183.24)	5,906.12	11,569.68
8.	Tax expense						
	- Current tax	-	(199.50)	737.11	-	1,359.76	2,778.81
	- MAT credit entitlement	-	199.50	(717.19)	-	(1,339.84)	(2,490.29)
	- Deferred tax charge / (credit)	(3,393.00)	(457.05)	970.26	(3,565.30)	1,697.65	3,886.07
	Total	(3,393.00)	(457.05)	990.18	(3,565.30)	1,717.57	4,174.59
9.	Net profit for the period (7)-(8)	(7,025.49)	(5,297.95)	1,985.51	(11,617.94)	4,188.55	7,395.09
10.	Paid-up equity share capital (Equity share of ₹10/- each)	6,377.11	6,377.11	6,377.07	6,377.11	6,377.07	6,377.11
11.	Reserves excluding revaluation reserve	-	-	-	-	-	91,027.92
12.	Earnings per share						
	-Basic (not annualised) (₹)	(11.02)	(8.31)	3.12	(18.22)	6.57	11.60
	-Diluted (not annualised) (₹)	(11.02)	(8.31)	3.12	(18.22)	6.57	11.60
13.	Aggregate of public shareholding						
	- Number of shares	31,155,735	31,155,735	31,413,901	31,155,735	31,413,901	31,155,735
	- Percentage of shareholding	48.85	48.85	49.25	48.85	49.25	48.85
14.	Promoters and promoter group shareholding						
	A) Pledged/encumbered						
	- Number of shares	30,782,233	25,786,233	-	30,782,233	-	12,861,233
	- Percentage of shares (as a % of the total Shareholding of promoter and promoter group)	94.35	79.04	-	94.35	-	39.42
	- Percentage of shares (as a % of the total share capital of the Company)	48.26	40.43	-	48.26	-	20.16
	B) Non-encumbered						
	- Number of shares	1,843,518	6,839,518	32,367,585	1,843,518	32,367,585	19,764,518
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	5.65	20.96	100.00	5.65	100.00	60.58
	- Percentage of shares (as a % of the total share capital of the Company)	2.89	10.72	50.75	2.89	50.75	30.99



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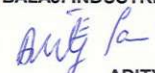


JAI BALAJI INDUSTRIES LIMITED

Notes :-

1. The above results have been reviewed by the Audit Committee and subsequently approved and taken on record by the Board of Directors of the Company in their respective meetings held on Tuesday, 14th February, 2012.
2. Limited review of the Unaudited Standalone Financial Results for the quarter ended 31st December, 2011 has been carried out by the statutory auditors of the Company.
3. Status of investors complaints for the quarter ended 31st December, 2011
 - a. Pending as on 01.10.2011 NIL
 - b. Received during the quarter NIL
 - c. Resolved during the quarter NIL
 - d. Pending as on 31.12.2011 NIL
4. The auditors in their limited review report for the quarter ended 30th September, 2011 have expressed their inability to comment on the possible consequential effects of the search and seizure operation carried out by the Income Tax Department on 9th June 2011. The Company expects that the above issue is likely to be resolved favourably and no further liability will accrue.
5. The results of the quarter and nine months period ended December 31, 2011 , includes loss on foreign exchange fluctuations of Rs. 1208.32 lakhs and Rs.2382.07 lakhs respectively on the Foreign Currency exposures in U.S. dollars which are open.
6. In view of the losses during the period, the Managing Director and Wholetime Director have decided to forego their remuneration with effect from 1st April 2011 and accordingly no directors' remuneration has been provided for.
7. The Company is mainly engaged in production of iron, steel and allied products and providing services in India. Hence, it operates in one business segment. Accordingly, no further disclosure is required under Accounting Standard 17 - Segment Reporting.
8. There are no exceptional or extraordinary items that needs to be reported in above results.
9. Previous period figures are regrouped / restated, wherever necessary.

FOR JAI BALAJI INDUSTRIES LIMITED


ADITYA JAJODIA
Chairman & Managing Director

Place: Kolkata
Date : 14th February, 2012



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