JINDAL

JINDAL SAW LTD.

Fax # 022-2659 8237 / 38

JSL/2015/ May 7, 2015

The Manager
Listing Department
National Stock Exchange of India Limited,
'Exchange Plaza', C-1, Block-G,
Bandra-Kurla Complex,
Bandra (E),
Mumbai – 400 051

Re. : Scrip Code : JINDALSAW

Sub. : Financial / Operational Highlights – Year / 4th Quarter Results

Dear Sir,

The Board of Directors of Jindal Saw Limited has approved the Audited Financial Results for the Year / fourth quarter ended 31st March, 2015. A copy of the highlights of financial and operational performance which will be circulated to the investor's community and other stakeholders is being sent to you for your reference and record.

Thanking you,

Yours faithfully,
for JINDAL SAW LTD.,

SUNIL K. JAIN
COMPANY SECRETARY
FCS : 3056

Encl. : As above.

C.C. : By Courier

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Highlights of Audited financial and operational performance (stand-alone) for the Financial year ended 31th March 2015

Given below are the financial highlights of the Audited financial results for the 4th quarter ended 31st March 2015 and Financial Year ended 31st March 2015:

7th May 2015

Particulars	Q4 FY-15	Q4 FY14	Q3 FY 15	Full Year FY 15	Full Year FY-14
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	Rs in Mio	Rs in Mio	Rs in Mio	Rs in Mio	Rs in Mio
	Mar 31, 2015	Mar 31, 2014	Dec 31, 2014	Mar 31, 2015	Mar 31, 2014
Net Turnover	**20,786**	**13,631**	**17,753**	**65,885**	**55,030**
Other Operating Income	49	5	21	128	66
Other Income (*)	323	306	347	1,220	846
(Increase)/Decrease in Stock in trade and WIP	2,530	934	(1,772)	(2,587)	2,426
Consumption of Raw Material and Purchase of traded goods	9,363	6,240	11,402	38,814	31,405
Total Raw Material Cost	**11,893**	**7,174**	**9,630**	**36,227**	**33,831**
Staff Cost	1,065	767	901	3,738	3,002
Other Expenditure	5,250	4,068	4,858	17,324	12,073
EBITDA (*)	**2,950**	**1,933**	**2,732**	**9,944**	**7,036**
Interest & Finance Charges	844	594	699	2,819	2,262
Depreciation	620	622	621	2,491	2,127
Exceptional Items - Significant changes in Rupee against foreign Currencies (Net)	187	(85)	400	531	739
PBT	**1,299**	**802**	**1,013**	**4,103**	**1,908**
Provision for Tax	588	231	393	1,477	465
PAT	**711**	**571**	**619**	**2,626**	**1,443**
RATIOS					
EBITDA to Net Sales	14.19%	14.18%	15.39%	15.09%	12.79%
RM to Net Sales	57.22%	52.63%	54.25%	54.99%	61.48%
Finance cost to Net Sales	4.06%	4.36%	3.94%	4.28%	4.11%
PBT to Net Sales	6.25%	5.88%	5.70%	6.23%	3.47%
PAT to Net Sales	3.42%	4.19%	3.49%	3.99%	2.63%
EPS- Fully Diluted (FV- Rs2/-)	2.45	2.07	2.21	9.05	6.10
EPS- Basic (FV- Rs2/-)	2.57	2.07	2.24	9.50	6.10

Notes:

a) Blended Pipe EBITDA, for the FY 15 ended 31st March 2015 is app. Rs 8,300 PMT of total sale of pipes & pig iron (Appox.853000 MT). EBITDA for Pellet for similar period is app. Rs 2400 PMT.

b) Other Income has been shown separately for classification purposes but majority of the items are in the nature of operations and hence added to EBITDA.

c) Exceptional items primarily represent net result of amounts on account of reinstatement of foreign exchange denominated assets and liabilities (other than long term foreign exchange denominated loans).

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OPERATIONAL & FINANCIAL HIGHLIGHTS

The sales break up for Financial Year ended 31st March 2015 is given hereunder:

Products	Quantity Sold (MT)-app./Rounded off
PIPES	
- Large Dia Pipes	
- L Saw	217,000
- H Saw	144,000
- Ductile Iron Pipes	316,000
- Pig Iron	47,000
- Seamless Tubes	129,000
Total sale of Pipes & Pig Iron	**853,000**
Iron Ore mine & Pellets	
- Pellets	**1,195,000**

Geographical Break up	**(of Pipe Sales)**	**(of Total Sales)**
- Sale in India	- 60 %	66%
- Sale outside India	- 40 %	34%

Operational performance:

Financial Year ended 31st March 2015 has witnessed improvement in production and sales levels as compared to Financial Year ended 31st March 2014. The Company expects further improvements in subsequent quarters though in gradual manner. Company is also focusing on various measures to further improve productivity, efficiency and profitability.

During FY 2015:

Saw Pipe Strategic Business Unit:
During FY 15, Company has produced app. 3.80 Lac MT of L Saw & H Saw Pipes (previous year app. 2.90 lac MT) which corresponds to the planned production and delivery schedules.

Further, the operations are expected to ramp up in line with the orders in hand which are app. 5.50 lac MT for L Saw and H Saw.

DI Pipe Strategic Business Unit:
Company produced app. 3.18 Lac MT of DI pipes during FY 15 as compared to 2.73 Lac MT in FY 14 showing an increase of app. 16.5%.

We expect further improvement in production of DI pipes in FY 16 backed by order book of app. 4.00 Lac MT and further the company is improving the finishing line capacity which shall convert the Pig Iron to pipes.

Seamless Strategic Business Unit:
The demand of seamless pipes & tubes remained subdued in line with the weaker trend in the oil& gas market. Falling oil prices may continue to have an adverse impact on the OCTG product demand. The Company is focusing on enlarging the product range which shall take care of the changing business environment. The production of seamless pipes in FY 15 was app. 1.28 lac MT, which was at the similar level in FY 14 as well.

Iron Ore Mines and Pellet Strategic Business Unit:

Operations in Pellet plant remained stable and Company has produced app. 11.99 Lac MT of Pellets in FY 15 (Previous year 7.19 lac MT).

Order Book Position

- The current order book (Jindal Saw India only) is app. Nine hundred and eighty million (USD 980 million), the break up is as under:
    - Large Diameter Pipes - US$ 630 Mio
    - Ductile Iron Pipes - US$ 330 Mio
    - Seamless Pipes - US$ 10 Mio
    - Pellets - US$ 10 Mio

The orders for Large Diameter Pipes are slated to be executed by March – June 2016 and in case of Ductile Iron Pipes the same are slated to be executed over next 12-18 months or more.

The Company has participated in various bids and likely to get orders in phases. The current order book includes export of app 35%. The major exports orders are from Middle East, Gulf region and South East Asia and Far East.

The Order book of Ductile Iron Pipes is only for Indian Facilities.

UAE Plant order Book

The Order book of UAE facilities (app. 125K MT – valuing USD 135 Mio) is in addition to the above order book of USD 330 Mio. of Indian DI facility.

Financing and Liquidity

As at 31st March 2015, net debt of Jindal Saw Limited (standalone) stands at app. Rs 40,980 mio (app. USD 655 mio.) excluding CCDs of Rs 2410 Mio but including ECB/ long term loans and fund based working capital and other unsecured loans. The break- up of the same is as follows:

a. Total working capital (including buyer's credit of Rs. 11,800 million) was app. 19,990 million(Net of Cash app. Rs 4550 mio). The Working capital is marginally higher in line with the increased operations and higher order book.

b. Total Term Loans (Rupee loan/ Rupee NCD/ ECB etc.) outstanding were app. Rs 20,990 mio.

STATUS OF MAJOR SUBSIDIRIES / OTHER MATERS

Additional Projects/ new capital expenditures

The Company has not undertaken any new major project initiative during the quarter ended 31st March 2015.We are now in the process of improvising the productivity of the various facilities, debottlenecking and introducing value added products especially in Seamless segment. Capacity of Beneficiation and other processes is being enhanced to efficiently process the low quality of the iron ore and thereby increasing the production of Pellet with full reliance on the internally beneficiated iron ore concentrate.

Jindal Tubular USA LLC- H Saw Facility in USA

On 29th Aug 2014, the Company through its offshore subsidiary namely Jindal Tubular USA LLC (JTUL) has acquired substantially all assets of PSL North America LLC at a value of app. US dollar 105 Million through an order passed by the United States Bankruptcy Court for the District of Delaware on August 15, 2014. This is a H Saw facility capable to produce hydrocarbon and water pipes with total name plate capacity of app. 375000 MTPA.

JTUL has completed ongoing capital expenditures for enhancing the capability to produce higher diameter water pipes. The facility has been tested and approved by the water authority. JTUL has started participating in tenders for oil, gas and water business opportunities. We expect to secure orders for all verticals in USA.

There are no repayments of any long term loan until end of FY 2019.

DI Pipe facility in Abu Dhabi (UAE)

Jindal Saw Gulf LLC is the largest DI Pipes manufacturing facility of MENA region. The Abu Dhabi (UAE) plant is focuses on providing high quality techno-economic products and solutions for water transportation and sewage systems in the wider MENA region. The factory has capability to produce DI pipes with size range from DN 200 to 2200. The plant is now fully operational and has an order book of app. 125K MT. the facility has already been approved by various MENA region countries for supply of its DI pipes.

The plant is currently producing more than 16,000 MT pipes per month and we expect to increase the production volume further by the end of this year.

Issue of shares to Promoters on Preferential basis

During the quarter ended 31st Dec 2014, the Board of Directors of Jindal Saw Limited and the shareholders had approved issuance of 43.53 million Compulsorily Convertible Debentures (CCD) on preferential basis to one of the promoter's group company. Each CCD shall be converted into one equity share of the face value of Rs 2/- of the Company at a minimum price of Rs 81.10 (Including a premium of Rs 79.10) per equity share in accordance with the SEBI ICDR regulations ("Issue price").

The entire amount (Rs3,530.30 million) was received within stipulated timeframe and CCD were allotted in time. The induction of capital will facilitate the built up of long term capital of the company which shall be helpful for supporting various business requirements.

Exception items - Foreign exchange loss on account of differences in foreign exchange transactions:

Given the nature of business, company has Foreign Currency Assets and Liabilities in the normal course of business. As in the past, company is expected to be a "net exporter" in the current financial year as well. In general, it is company's policy to manage these exposure on the net basis, i.e., company hedges only the difference between expected imports plus current liabilities and expected exports plus current assets.

In most cases, in order to match cash flows on net basis, company avails short term foreign currency loans (Buyers credit/ PCFC etc.) from the banks to match foreign currency denominated payments to its suppliers with expected foreign currency denominated receivables on the contracts. However, as per Accounting Standard, while liabilities thus crystallized appear on balance sheet and need to be translated at closing currency rates, expected receivables pending sale of goods are not reflected and reinstated in financial statements. This accounting treatment may result in realized /accounting gains or losses depending upon currency behavior during the period. As per accounting standards, stock of Raw material/ work in progress and finished goods (specially represented by imported material) is reflected at historical costs without adjustments of financial costs and change in foreign currency rates.

Company Overview

The Company is India's most diversified manufacturer and supplier of pipe products for the energy, water sector and other industrial applications. Our customers include most of the world's leading oil and gas companies, municipal corporations as well as engineering companies engaged in constructing oil and gas gathering, water transportation system, power and automobiles facilities. Our principal products include (a) large diameter SAW pipes (Longitudinal Submerged Arc Welded (LSAW) and Helically Submerged Arc Welded (Spiral/ HSAW), (b) Seamless Tubes, and (c) Ductile Iron (DI) pipes. Our manufacturing facilities are located in various parts in western, northern and southern part of India. Our Indian production facilities produce pipes to meet global specifications and standards.

We are one of the largest global producers of Ductile Iron pipes with manufacturing facilities in India, UAE and Europe.

With the pipe producing capacities in India, USA, UAE and Europe, the Company is one of the largest global manufacturers of pipes.

The company has developed iron ore mine complex at Bhilwara (Rajasthan) with fully integrated facilities for ore extraction, beneficiation and Pellet production, at the mine head. Iron Ore Pellets are currently in demand for manufacture of Sponge Iron and other products. The Pellet plant is running at 100% capacity.

OUTLOOK

The Company's product portfolio includes LSAW and HSAW pipes, Seamless tubes & pipes, DI pipes of various grades and dimensions and Pellets.

The Company generates its revenues from Oil & Gas, Water and Steel industry. At present, the Company generates app.30% of sale from Oil& Gas Sector, 50% from Water Sector and balance 20% from sale of Pellets.

The diversified revenue profile insulates the Company's business model from the factors impacting the global business environment. For example, sharp decline in the global oil prices may not impact the Company's overall order book, revenue and resultant profitability in a significant way. The company is also focusing its efforts to make its business model more robust which can weather it from the volatile business environment.

We are experiencing gradual improvement in demand and its major drivers in medium to long term. Last few months witnessed correction in global prices of oil, iron ore, coal and other products which may have an impact on sale prices of Pellet and other products. Despite the prevailing conditions, potential opportunities are expected primarily from the implementation of new pipeline projects in the upcoming years, resurgent growth of the US economy, and increased demand from natural gas exploration operations.

Specific and renewed focus of Government of India on the Infrastructure sector including Hydrocarbon pipeline as well as urbanization would accelerate the demand of our products in near future. We expect that India would also need more pipelines for Oil& Gas, Water and Industrial applications.

Due to improvement in the overall scenario, we expect that the Pellet demand would also improve in the country including west region.

Forward Looking Statements

This document contains statements that constitute "forward looking statements" including, without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance. While these forward looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that we have indicated could adversely affect our business and financial performance. Jindal Saw undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.