Highlights of Unaudited financial and operational performance (stand alone) for the 4th Quarter ended March 31, 2011

May 12, 2011

Particulars	**12 months 2010-11**	**Q4 FY-11**	**Q5 FY10**	**Q3 FY 11**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
	Rs/ Mio	**Rs/ Mio**	**Rs/ Mio**	**Rs/ Mio**
Quarter ended as at	**Mar 31, 2011**	**Mar 31, 2011**	**Mar 31, 2010**	**Dec 31, 2010**
Gross Turnover	43,122.20	12,186.70	11,395.80	11,001.60
Less: Excise Duty	1,575.70	633.20	533.10	367.50
Net Turnover	**41,546.50**	**11,553.50**	**10,862.70**	**10,634.10**
Total Expenditure:				
(Increase)/Decrease in Stock in trade and WIP	(665.70)	541.10	(1,631.90)	(221.70)
Consumption of Raw Material and Purchase of traded goods	25,230.50	6,628.60	8,065.50	6,552.30
Outsourcing	156.10	68.00		88.10
Total Raw Material Cost	**24,720.90**	**7,237.70**	**6,433.60**	**6,388.70**
Staff Cost	1,965.30	640.40	468.60	459.70
Other Expenditure	6,624.50	1,996.10	1,080.40	1,592.80
EBITDA	**8,235.80**	**1,679.30**	**2,880.10**	**2,192.90**
Other Income (Including other operating income)	359.90	90.10	45.90	66.20
Financial Charges	1,149.00	291.20	217.80	310.70
Depreciation	1,365.70	353.90	339.10	334.90
PBT	**6,081.00**	**1,124.30**	**2369.10**	**1,613.50**
Provision for Tax	1,496.50	322.40	566.40	363.40
PAT	**4,584.50**	**801.90**	**1,802.70**	**1,250.10**
Blended EBITDA- Rs/ MT	**11,356**	**8,212**	**12,997**	**12,308**
RATIOS				
EBITDA to Net Sales	19.82%	14.53%	26.51%	20.62%
RM to Net Sales	59.50%	62.65%	59.23%	60.08%
Finance cost to Net Sales	2.77%	2.52%	2.01%	2.92%
PBT to Net Sales	14.64%	9.73%	21.81%	15.17%
PAT to Net Sales	11.03%	6.94%	16.60%	11.76%

Notes:

a) Blended EBITDA, for the fourth quarter ended 31st March 2011 is app. Rs 8,212 PMT of total pipes sold whereas the EBITDA for full year for 2010-11 is at Rs 11,356 PMT of pipes sold.

b) The net finance charges include app. Rs 120 million on account of settlements of outstanding foreign currency derivative trades/ payment against settlement of forward contracts etc.

OPERATIONAL & FINANCIAL HIGHLIGHTS

For the 4th Quarter ended March 2011, the sales break up was as under:

Products	Quantity Sold (MT)- app.	Value (Rs/ Mio)	%
Indian Operations			
- Large Dia Pipes	1,03,760	6,092	52.73%
- Ductile Iron Pipes	68,400	3,088	26.73%
- Seamless Tubes	32,320	2,373	20.54%
Total	**2,04,480**	**11,553**	

Geographical Break up

- Sale in India - 68%
- Sale outside India - 32%

Order Book Position

- As at April, 2011, the order book is above US$ One Billion, the break up is as under:
  - Large Diameter Pipes – US$ 790 Mio
  - Ductile Iron Pipes – US$ 185 Mio
  - Seamless Pipes – US$ 25 Mio
- The above orders are slated to be executed by end of March 2012. The company has participated in various bids and likely to get orders in phases. The current order book includes export orders of app. 55%. The major exports orders are from Middle East, Gulf region and South East Asia, China and Far East.

Operational performance for the quarter

This quarter witnessed lower production and higher sales. There remained good amount of stock in semi finished form for H Saw and L Saw which was to be coated and sold. The company sold app. 103760 MT of Large dia pipe in March 2011 quarter as against app. 91700 MT in Dec 2010 quarter. The production and sales in Seamless division improved to app. 32320 MT in March 2011 quarter as against 24000 MT in December 2010 quarter. In case of Ductile Iron Segment Company sold app. 68400 MT pipes in March 2011 quarter as against app. 62000 MT in December 2010 quarter.

The profitability of the Company for the March 2011 quarter remains under pressure due to (i) execution of low margin orders including H Saw orders of GAIL (ii) Higher freight cost on few export consignments (iii) Higher input and other costs for all the segments.

Financing and Liquidity

a) As at March 31, 2011, net debt in the Company (standalone) was app. Rs 11200 mio (app. USD 250 mio) including FCCB/ long term loans and fund based working capital and other unsecured loans. This does not include acceptances and utilization of buyers' credit facilities (app. USD 135 million).

b) To meet the long term funds requirements for capital expenditures etc, company is planning to raise long term funds.

Foreign Exchange Transactions

The Company has outstanding foreign currency related derivative contracts with multiple contingent/ uncertain events. As such, ascertainment of fair value of these contracts is not feasible, however as at March 31, 2011, banks estimate the mark to market (MTM) of all outstanding contracts, against the Company, at app. USD 142 million. The Company intend to adopt AS 30 and pending the adoption of same, the MTM is neither charged to Profit and Loss Account nor considered in the Balance Sheet. However, the gain /loss are being accounted for on cash basis.

Status of Demerger of the Investment Undertaking of the Company

The Scheme of Arrangement and Demerger proposing to demerge the Investment Undertaking of the Company into wholly-owned Company namely Hexa Tradex Ltd. was filed with the Hon'ble High Court of Judicature at Allahabad. As per the Order dated 18th February, 2011, the separate meetings of equity shareholders, secured creditors and unsecured creditors of the Company were convened on 8th, 9th and 10th April, 2011 at the registered office of the Company. The Scheme of Arrangement and Demerger was approved by the shareholders, secured creditors and unsecured creditors and the reports were filed with the Hon'ble High Court by the respective chairmen. After such filing of reports the Company filed, inter-alia, a petition for confirming the Scheme of Arrangement and Demerger. The Court is expected to hear the Confirmation Petition in July 2011 after summer holiday. It is hoped that Scheme of Arrangement and Demerger will be approved by the Hon'ble High Court in July 2011.

STATUS OF NEW PROJECTS/ CAPITAL EXPENDITURES

Following major initiatives are under implementation:

a) Ductile Iron Plant with additional waste heat recovery based power project and coke oven plant. This expansion will provide additional 200,000 MTPA ductile pipe with wider range of sizes etc. The project, with a capital outlay of app. Rs 3500 million, is expected to commence operations in accounting year 2011-12

b) Greenfield Ductile Iron pipe facility in United Arab Emirates through a joint venture company with majority stake with Jindal Saw Limited. The plant shall have a capacity of 300,000 MTPA and the operations are expected to commence in accounting year 2011-12. The estimated cost outlay for this facility has been estimated at app. USD 60 million.

c) Iron Ore Mines: Pursuant to the allocation of Iron ore mines in the State of Rajasthan, the company has already initiated requisite steps to roll out the project implementation including civil work, finalization of engineering details and installation of the plant and machinery. It is expected that the trails should commence and commercial production could begin in the FY 11-12.

d) Drill pipe at USA: There is a delay in execution of this project but the trials are expected to commence in June 2011. The Company has started marketing of the product.

OUTLOOK

The Company's product portfolio includes LSAW and HSAW pipes, hot milled and cold milled carbon steel, alloy steel and stainless steel seamless tubes and pipes and DI pipes of various grades and dimensions. Even though the demand for these products is expected to improve gradually, the increase in supply has outpaced the growth in demand. Further, the prices for inputs is increasing on the back of higher cocking coal prices, higher petroleum prices as well as increasing financing costs.

As a result, we expect pressure on revenue and profitability. We expect that significant increase in cocking coal will directly affect the profitability of Ductile Iron pipe as well as increase in the steel prices. Based on the current indication, the weakness in profitability is expected to be there for few quarters. To counter the impact of these issues, the Company is working towards cost control, improvement in operational efficiency, effective utilization of resources and on the top of that giving high priority to the implementation of the Iron ore segment.

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.