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

**Limited Review Report for the Quarter ended 31st December, 2011**

1. We have reviewed the accompanying statement of unaudited financial results of **JINDAL STAINLESS LIMITED** (formerly JSL Stainless Limited) for the quarter ended 31st December, 2011 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 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. The statement of quarterly financial results has been prepared from interim financial statements which are the responsibility of the Company's Management and have 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 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 qualifying, attention is drawn to:-
   i. Note no. 28 (C) (i) (a) of schedule 20 of audited accounts for the year ended 31st March 2011 regarding pending necessary approvals for managerial remuneration.
   ii. Note no. 7(b) of schedule 20 of audited accounts for the year ended 31st March 2011 regarding pending confirmations of balances of secured loans, and
   iii. Note no. 13 (c) of schedule 20 regarding investment and loan & advances to certain subsidiary companies, for the reason stated in said note, no provision for diminution in value is necessary in the opinion of management.

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
Membership No.85155
Place: New Delhi
Date: 9/2/2012

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

**(Arun K. Tulsian)**
Partner
Membership No. 89907
Place: New Delhi
Date: 9-2-2012

**JINDAL STAINLESS LIMITED** (formerly JSL Stainless Ltd.)
Regd. Office: O.P.Jindal Marg, Hisar-125 005 (Haryana) www.jindalstainless.com

JSL JINDAL STAINLESS

## UNAUDITED STANDALONE FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2011

(Rs. in crore, except per share data)

| Particulars | Quarter ended | | | Nine Months ended | | Year ended |
|---|---|---|---|---|---|---|
| | 31st December | 30th September | 31st December | 31st December | | 31st March |
| | 2011 | 2011 | 2010 | 2011 | 2010 | 2011 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| **Income from Operation:** | | | | | | |
| Gross Sales: : Domestic | 1,565.41 | 1,582.44 | 1,446.93 | 4,823.58 | 4,386.54 | 5,859.19 |
| : Export | 478.59 | 393.47 | 407.02 | 1,323.19 | 1,081.59 | 1,470.90 |
| **Total Sales** | **2,044.00** | **1,975.91** | **1,853.95** | **6,146.77** | **5,468.13** | **7,330.09** |
| Less: Excise Duty on Sales | 140.18 | 142.19 | 126.12 | 436.24 | 378.77 | 512.29 |
| **Net Sales** | **1,903.82** | **1,833.72** | **1,727.83** | **5,710.53** | **5,089.36** | **6,817.80** |
| Other Operating Income | 6.45 | 3.92 | 3.00 | 14.26 | 8.33 | 22.34 |
| **Total Income** | 1,910.27 | 1,837.64 | 1,730.83 | 5,724.79 | 5,097.69 | 6,840.14 |
| Expenditure | | | | | | |
| (a) (Increase)/ Decrease in stock-in-trade and work in progress | (108.80) | (25.28) | (12.71) | (160.54) | (213.70) | (240.89) |
| (b) Consumption of Raw materials | 1,384.87 | 1,228.35 | 1,081.88 | 3,869.33 | 3,359.44 | 4,454.79 |
| (c) Purchase of Traded goods | 8.65 | 16.81 | 43.41 | 86.29 | 87.15 | 153.46 |
| (d) Stores & Spares | 103.01 | 91.73 | 80.17 | 278.52 | 231.72 | 305.72 |
| (e) Power and Fuel | 163.68 | 156.51 | 137.79 | 468.37 | 407.49 | 560.24 |
| (f) Employee cost | 44.24 | 44.05 | 40.39 | 133.23 | 117.51 | 152.05 |
| (g) Depreciation | 109.82 | 93.96 | 89.05 | 292.89 | 267.28 | 356.14 |
| (h) Other expenditure | 114.43 | 111.75 | 103.85 | 334.17 | 279.06 | 372.82 |
| **Total Expenditure** | 1,819.90 | 1,717.88 | 1,563.83 | 5,302.26 | 4,535.95 | 6,114.33 |
| **Profit from operations before Other Income, Interest & Exceptional Item** | **90.37** | **119.76** | **167.00** | **422.53** | **561.74** | **725.81** |
| Other Income | 0.20 | 0.15 | 0.01 | 0.54 | 0.74 | 0.37 |
| **Profit before interest & Exceptional items** | **90.57** | **119.91** | **167.01** | **423.07** | **562.48** | **726.18** |
| Interest (net) | 105.90 | 105.15 | 74.75 | 313.62 | 243.09 | 333.05 |
| **Profit/(loss) after interest but before Exceptional items** | (15.33) | 14.76 | 92.26 | 109.45 | 319.39 | 393.13 |
| Exceptional items - Gain/ (Loss) - *Refer note no 2 & 5 (ii)* | (147.78) | (159.31) | 33.19 | (289.96) | 48.11 | 54.22 |
| **Profit /(loss) from Ordinary Activities before tax** | (163.11) | (144.55) | 125.45 | (180.51) | 367.50 | 447.35 |
| **Tax Expense:** | | | | | | |
| Provision for Current Tax | - | (25.44) | 25.01 | - | 73.25 | 89.22 |
| Provision for Deferred Tax | (52.78) | (25.23) | (7.52) | (58.03) | 45.63 | 53.49 |
| MAT credit (Entitlement) / Reversal | - | 4.06 | 17.98 | - | (4.07) | (13.95) |
| Previous Year Tax Adjustment | - | - | - | - | - | 0.26 |
| **Net profit / (loss) from Ordinary Activities after tax** | **(110.33)** | **(97.94)** | **89.98** | **(122.48)** | **252.69** | **318.34** |
| Paid-up Equity Share Capital (face value of Rs. 2/- each) | 37.68 | 37.61 | 37.12 | 37.68 | 37.12 | 37.46 |
| Reserves excluding revaluation reserve as per balance sheet of previous accounting year | | | | | | 2,215.13 |
| Earning per share (EPS) before Extraordinary items: | | | | | | |
| - Basic (Rs.) | (5.87) | (5.22) | 4.85 | (6.52) | 13.62 | 17.12 |
| - Diluted (Rs.) | (5.89) | (5.22) | 4.69 | (6.54) | 13.26 | 16.71 |
| **EPS for the quarter & nine months (not annualised )** | | | | | | |
| Public Shareholding | | | | | | |
| - Number of Shares | 96,339,125 | 95,974,153 | 93,511,903 | 96,339,125 | 93,511,903 | 95,245,428 |
| - Percentage of Shareholding | 56.40 | 56.31 | 55.67 | 56.40 | 55.67 | 56.12 |
| **Promoters and promoter group shareholding** | | | | | | - |
| (a ) Pledged / Encumbered : | | | | | | - |
| No. 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) | 34.66 | 34.73 | 35.19 | 34.66 | 35.19 | 34.86 |
| (b) Non -encumbered: | | | | | | - |
| No. of shares | 9,160,625 | 9,160,625 | 9,159,310 | 9,160,625 | 9,159,310 | 9,159,405 |
| % 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) | 4.86 | 4.87 | 4.94 | 4.86 | 4.94 | 4.89 |

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

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Notes:

1 The above results have been reviewed by the Audit Committee and have been taken on record by the Board of Directors in the respective meetings held on 8th & 9th February, 2012. The Statutory auditors have carried out limited review of the above results.

2 The company has exercised option available to it under clause 46A of Accounting Standard AS 11 as amended by the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to ``Long Term Foreign Currency Monetary Items''. Accordingly, during the quarter, the company has adjusted a sum of Rs 46 crore to the cost of its fixed assets on account of such difference arising during the quarter and nine months ended 31st December 2011, which was hitherto charged to the profit & loss account.

3 The name of the company has been changed to "Jindal Stainless Limited" w.e.f. 7th December, 2011.

4 Upon receipt of FCCB conversion notices dated 25th November, 2011 and 4th January, 2012 respectively, the Company has allotted 3,64,972 fresh equity shares each, aggregating to 7,29,944 equity shares of Rs.2/- each. Consequently, as on 31st December the paid up share capital of the company stands at Rs 37,68,21,418/- divided into 18,84,10,709 equity shares of Rs 2/- each and as on date the paid up share capital of the Company stands enhanced to Rs. 37,75,51,362/- divided into 18,87,75,681 equity shares of Rs.2/- each.

5 The profits for the quarter and nine months ended 31st December, 2011 is adversly affected mainly because of (i) Ferro Alloys & Thermal Power plant facilities at Odisha geting affected on account of higher input prices of chrome ore and coal due to prevailing trade policies of State/Central Government establishments and Odisha Phase II operations being under ramp up and (ii) exchange fluctuations on foreign currency assets/liabilities shown under the head exceptional items.

6 No investor complaints were pending as on 01.10.2011. During the quarter ended 31st December, 2011, one complaint was received and resolved. No investor complaint is outstanding.

7 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.

8 The previous quarter/period figures have been regrouped wherever necessary.

Place: Jajpur (Odisha)
Date: 9th February, 2012

RATAN JINDAL
Vice Chairman and Managing Director

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS