

JSW Steel Limited
(Formerly Ispat Industries Limited)

Regd. Office : DLF IT Park, 08, Major Arterial Road, Block - AF, New Town, Kolkata - 700 156

(₹ in crores)

PART - I STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st MARCH, 2012						
Sl. No.	Particulars	Quarter ended			Nine months ended	
		31st March	31st December	31st March	31st March	31st March
		2012	2011	2011	2012	2011
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations					
	a) Net Sales/Income from Operations (Net of Excise Duty)	2721.01	2563.60	2599.96	7868.75	5663.48
	b) Other Operating Income	61.77	104.16	48.24	217.57	103.07
	Total income from operations (net)	2782.78	2667.76	2648.20	8086.32	5766.55
2	Expenses					
	a) Cost of materials consumed	1764.88	1783.63	1872.48	5365.82	3978.89
	b) Changes in inventories of finished goods and work-in-progress	133.33	57.81	(273.51)	211.06	(79.86)
	c) Power & Fuel Cost	473.39	449.50	431.95	1382.25	1034.40
	d) Employee benefits expense	53.34	63.89	56.14	195.22	169.39
	e) Depreciation and amortisation expense	157.08	159.41	148.29	465.04	448.92
	f) Other expenses	162.68	164.90	231.71	504.74	585.96
	Total Expenses	2744.70	2679.14	2467.06	8124.13	6137.70
3	Profit / (Loss) from Operations before Other Income , finance costs and Exceptional items (1-2)	38.08	(11.38)	181.14	(37.81)	(371.15)
4	Other Income	101.57	100.06	116.26	310.60	154.83
5	Profit / (Loss) from ordinary activities before finance costs and Exceptional Items (3+4)	139.65	88.68	297.40	272.79	(216.32)
6	Finance costs	268.00	286.24	226.98	820.26	798.91
7	Profit / (Loss) from ordinary activities after finance costs but before Exceptional Items (5-6)	(128.35)	(197.56)	70.42	(547.47)	(1015.23)
8	Exceptional Items (Refer Note No. 3 below)	12.94	111.01	-	247.69	-
9	Profit / (Loss) from ordinary activities before tax (7-8)	(141.29)	(308.57)	70.42	(795.16)	(1015.23)
10	Tax Expenses					
	- Current Tax	-	-	-	-	-
	- Deferred Tax Charge/ (Credit) [Refer Note No. 1 (a) below]	-	-	0.24	(344.48)	(344.48)
11	Net Profit/(Loss) from ordinary activities after tax (9 - 10)	(141.29)	(308.57)	70.18	(795.16)	(670.75)
12	Paid-Up Equity Share Capital (Face Value of ₹ 10/- each)	2386.11	2386.11	2386.08	2386.11	2386.08
13	Reserves excluding Revaluation Reserves					(2,363.82)
14	Earnings Per Share (EPS) (of ₹ 10/- each) (not annualised) Basic and Diluted EPS (₹)	(0.57)	(1.24)	0.37	(3.19)	(4.72)

PART - II

A	Particulars of shareholding					
1	Public shareholding					
	- Number of shares *	716334195	716227283	797168173	716334195	716227283
	- Percentage of shareholding *	30.01	30.01	33.40	30.01	30.01
2	Promoters and Promoter Group shareholding					
	a) Pledged/ Encumbered					
	- Number of shares	477730463	477730463	477730463	477730463	477730463
	- Percentage of shares (as a % of the total shareholding of Promoters and Promoter group)	28.60	28.60	30.05	28.60	30.05
	- Percentage of shares (as a % of the total share capital of the Company)	20.02	20.02	20.02	20.02	20.02
	b) Non-Encumbered					
	- Number of shares	1192734472	1192734472	1111793582	1192734472	1192734472
	- Percentage of shares (as a % of the total shareholding of Promoters and Promoter group)	71.40	71.40	69.95	71.40	69.95
	- Percentage of shares (as a % of the total share capital of the Company)	49.97	49.97	46.58	49.97	46.58

*During the quarter, the public shareholding has increased by 106,912 equity shares on account of termination of Deposit agreement relating to outstanding GDRs.

Particulars.		3 months ended 31/03/2012
B	Investor complaints	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	68
	Disposed of during the quarter	68
	Remaining unresolved at the end of the quarter	Nil



Notes:-

- 1 a) The Auditors in their audit report on the Company's accounts for the year ended 30th June 2011 and their limited review report on the Company's unaudited financial results for the quarter ended 31st December 2011 have drawn attention to their inability to express an opinion on the recognition of net Deferred Tax Asset of ₹ 1308.76 crores upto 31st March 2011.

In view of the process improvements carried out for enhancing the steel-making capacity and operating efficiency, Company's Business Plans and strategies, exit of the company from the CDR with effect from 30th September 2011, and payment of entire outstanding CDR Debt, the Company is confident that there would be sufficient taxable income in the future to claim the deferred tax credit. The Company has not recognized additional deferred tax asset (net) with effect from 1st April 2011, as a matter of prudence.

- b) Net loss during the quarter, though significantly lower in comparison to the previous quarter has, however, been largely due to technical difficulties in Blast Furnace operations and liability on account of customs duty and interest on import of power plant by a wholly-owned subsidiary. The Company has taken various measures, set-out hereinabove, to improve the operating results and is confident that these measures would result in sustainable cash flows and improvement in net worth. Accordingly, the Company continues to present its financial statements on a "Going Concern" basis.
- 2 The Petroleum and Natural Gas Regulatory Board (PNGRB) established under PNGRB Act, 2006 has, vide its order dated 12th March 2012, determined lower provisional tariff for transportation of Natural Gas with effect from 20th November 2008. Consequently, the Company has been allowed credit of ₹ 38.29 crores by the supplier towards refund of excess tariff charged earlier, which has been adjusted with cost of Natural Gas during the quarter.
- 3 The exceptional items include:

₹ in crores

Particulars	Quarter ended 31 March, 2012	Nine month ended 31 March, 2012
Net foreign exchange (gain)/loss due to unusual fluctuation in the foreign currencies on operating balances/ forward exchange contracts (both realized and unrealized) and Mark to Market loss on derivative contract	(44.21)	190.54
Custom duty and interest payable on import of power plant by wholly owned subsidiary, pursuant to a Corporate Guarantee under EPCG Scheme and in view of inability of the subsidiary to discharge the liability.	70.70	70.70
Write back of the earlier provision made on unsecured loan of a wholly owned subsidiary	(13.55)	(13.55)
Total	12.94	247.69



- 4 Pursuant to the approval accorded by CDR Empowered Group at its meeting held on 12th January 2011 and subsequent notices given to the Company by certain lenders, the Securities Issue Committee of the Board of Directors of the Company, at its meeting held on 31st March 2011, had decided to allot 10,24,17,239 Equity Shares of ₹ 10 each at a premium of ₹ 4.74 per share to the respective lenders, subject to receipt of 'in principle' approval from the Stock Exchanges in terms of Clause 24(a) of the Listing Agreement. Though 'In Principle' approval of The Bombay Stock Exchange Ltd. was received on 10th May 2011, 'In Principle' approval of The National Stock Exchange of India Ltd. has been received on 3rd May 2012. Consequently, allotment of the shares are pending as at 31st March 2012. Accordingly, the above shares have not been considered in the figures indicated in PART I Sl. No 12 and PART II-A of the financial results.
- 5 Other Income includes a sum of ₹ 95.57 crores and ₹ 279.65 crores for the quarter and nine months ended 31st March 2012 (₹ 70.28 crores for the quarter and nine months ended 31st March 2011 and ₹ 219.82 crores for the year ended 30th June 2011), being gain arising on account of pre-payment on Net Present Value basis of a portion of deferred Value Added / Sales Tax liability, in terms of Section 94(2) of Maharashtra Value Added Tax Act 2002 read with Rule 84 of Maharashtra Value Added Tax Rules 2005.
- 6 The Company has identified Iron & Steel products as its sole operating segment and hence no further disclosure is required under Accounting Standard 17 'Segment Reporting'.
- 7 Previous period figures have been re-grouped / re-arranged wherever necessary.
- 8 The auditors of the Company have carried out a Limited Review of the Standalone Financial Results for the quarter ended 31st March 2012 in compliance with Clause 41 of the Listing Agreement. The Standalone Financial Results have been reviewed by the audit committee and approved by the Board of Directors at their respective meetings held on 12th May, 2012.

For and on behalf of the Board


B.K. Singh
Chief Executive Officer

Place : Mumbai
Dated : 12th May, 2012

