



JSW ISPAT Steel Limited

Regd. Office :

'The Enclave', 5th Floor.

Behind Marathe Udyog Bhavan.

New Prabhadevi Road, Prabhadevi,

Mumbai – 400 025.

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Fax : 022-24320740

Website: www.jswispat.in

May 21, 2013

Bombay Stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001.
Fax No. 022-22723719/2037/2039

✓ National Stock Exchange of India Ltd.,
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai-400 051.
Fax No. 022 – 26598237/38

The Calcutta Stock Exchange Ltd.
7, Lyons Range,
Kolkata-700 001.
Fax No.033-22102210/22104500

Dear Sirs,

We wish to inform you that, pursuant to Clause 41 of the Listing Agreement, the audited financial results of our Company, both standalone and consolidated, for the nine month period and financial year ended 31st March, 2013 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held today i.e. May 21, 2013.

The said results are enclosed as Annexure "A".

The Board of Directors has not recommended any dividend of the Company's equity and preference shares for the financial year ended 31st March, 2013.

Thanking you,

Yours faithfully,
For JSW ISPAT Steel Limited

T P Subramanian
President & Company Secretary



JSW ISPAT Steel Limited
(Formerly Ispat Industries Limited)

Regd. Office: The Enclave, 5th Floor, Behind Marathe Udyog Bhavan, New Prabhadevi Road, Prabhadevi, Mumbai - 400 025

(₹ in crores)

Part - I Statement of Audited Financial Results for the Quarter and Nine Months ended 31st March 2013							
Sl. No.	Particulars	Standalone				Consolidated	
		Quarter ended		Year ended		Year ended	Year ended
		31st March	31st December	31st March	31st March	30th June	31st March
		2013	2012	2012	2013	2012	2013
		Audited (Also Refer note 8)	Unaudited	Unaudited	(9 months) Audited	(12 months) Audited	(9 months) Audited
1	Income from Operations						
a)	Net sales/income from operations (Net of excise duty)	2621.27	2678.37	2721.01	7,846.64	10724.12	7846.64
b)	Other operating income	80.83	92.44	106.49	266.77	379.99	266.77
	Total income from operations (net)	2702.10	2770.81	2827.50	8113.41	11104.11	8113.41
2	Expenses						
a)	Cost of materials consumed	1682.52	1739.27	1764.88	5,360.56	7323.83	5360.56
b)	Cost of traded power	56.41	60.75	49.84	177.75	96.28	177.75
c)	Changes in inventories of finished goods and work-in-progress	23.83	123.01	125.71	(44.94)	46.72	(44.94)
d)	Power & fuel cost	499.36	475.59	468.27	1,452.97	1897.00	1452.97
e)	Employee benefits expense	59.15	62.67	53.34	188.97	260.86	188.97
f)	Depreciation and amortisation expense	151.56	158.44	157.08	471.71	626.83	471.71
g)	Other expenses	190.70	180.48	170.30	541.81	710.47	543.11
	Total Expenses	2663.53	2800.21	2789.42	8148.83	10961.99	8150.13
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	38.57	(29.40)	38.08	(35.42)	142.12	(36.72)
4	Other income (Refer note 5 below)	96.68	117.63	101.57	303.37	424.24	303.59
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	135.25	88.23	139.65	267.95	566.36	266.87
6	Finance costs	231.54	247.51	268.00	659.42	1076.00	659.42
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(96.29)	(159.28)	(128.35)	(391.47)	(509.64)	(392.55)
8	Exceptional items [Gain / (Loss)] (Refer note 3 below)	31.12	(82.51)	(12.94)	183.97	(586.46)	211.57
9	Profit / (Loss) from ordinary activities before tax (7-8)	(65.17)	(241.79)	(141.29)	(207.50)	(1096.10)	(180.98)
10	Tax expenses						
-	Current tax	-	-	-	-	-	0.02
-	Deferred tax charge / (credit) [Refer note 1(a) below]	(159.33)	(111.05)	-	(293.31)	(779.18)	(293.31)
11	Net Profit/(Loss) from ordinary activities after tax (9 - 10)	94.16	(130.74)	(141.29)	85.81	(316.92)	112.31
12	Profit/(Loss) on disposal / cessation of subsidiary	-	-	-	-	-	(7.64)
13	Net Profit/(Loss) for the Period (11 - 12)	94.16	(130.74)	(141.29)	85.81	(316.92)	104.67
14	Paid-Up Equity Share Capital (Face Value of ₹ 10/- each)	2,516.14	2,516.14	2,386.11	2,516.14	2,516.14	2,516.14
15	Reserves excluding Revaluation Reserves	-	-	-	(2,526.69)	(2,619.09)	(2,527.99)
16	Earnings Per Share (EPS) (of ₹ 10/- each) (not annualised)						
Basic (₹)		0.37	(0.52)	(0.57)	0.34	(1.27)	0.42
Diluted (₹)		0.37	(0.52)	(0.57)	0.34	(1.27)	0.42

Part - II Select Information for the quarter and nine months ended 31st March 2013							
Sl. No.	Particulars	Quarter ended			Year ended		Year ended
		31st March	31st December	31st March	31st March	30th June	31st March
		2013	2012	2012	2013	2012	2013
A	Particulars of shareholding						
1	Public shareholding						
-	Number of shares	1040714718	910920461	716334195	1040714718	846365566	1040714718
-	Percentage of shareholding	41.35%	36.19%	30.01%	41.35%	33.63%	41.35%
2	Promoters and Promoter Group shareholding						
a)	Pledged/ Encumbered						
-	Number of shares	-	-	477730463	-	477730463	-
-	Percentage of shares (as a % of the total shareholding of Promoters and Promoter group)	-	-	28.60%	-	28.60%	-
-	Percentage of shares (as a % of the total share capital of the Company)	-	-	20.02%	-	18.98%	-
b)	Non-Encumbered						
-	Number of shares	1476115783	1605910040	1192734472	1476115783	1192734472	1476115783
-	Percentage of shares (as a % of the total shareholding of Promoters and Promoter group)	100.00%	100.00%	71.40%	100.00%	71.40%	100.00%
-	Percentage of shares (as a % of the total share capital of the Company)	58.65%	63.81%	49.97%	58.65%	47.39%	58.65%
B	Investor complaints						
-	Remaining at the beginning of the quarter	-	Nil	-	-	-	-
-	Resolved during the quarter	-	71	-	-	-	-
-	Disposed of during the quarter	-	71	-	-	-	-
-	Remaining unresolved at the end of the quarter	-	Nil	-	-	-	-



Notes:-

- a) The Auditors in their audit report on the Company's financial results for the quarter and nine months period ended 31st March 2013 and limited review report on the unaudited financial results for the quarter ended 31st December 2012 have qualified the recognition of net Deferred Tax Asset (DTA) of ₹ 2381.25 crores (including ₹ 159.33 crores recognized during the quarter) and ₹ 2221.92 crores respectively.

Deferred Tax Asset of ₹ 159.33 crores (as recomputed to give effect of revision in surcharge on Income Tax announced in Finance Bill, 2013) and ₹ 293.31 crores have been recognised during the quarter and nine months period ended 31st March 2013 respectively and net DTA as on 31st March 2013 stands at ₹ 2381.25 crores. There are carried forward unabsorbed depreciation and business losses as at 31st March 2013. In view of various measures taken by the Company for enhancing operating efficiency, tie-up of reliable alternate sources of power and critical inputs, setting-up of crucial projects aimed at achieving raw material integration, major savings in input costs as well as future profitability projections and the Composite Scheme of Arrangement and Amalgamation set out in (b) below, the Company is virtually certain that there would be sufficient taxable income in future, to claim the above tax credit.

These financial results have been drawn up as per the going concern assumption, which is appropriate in the opinion of the Company.

b) The Hon'ble High Court of Judicature at Bombay has sanctioned the Composite Scheme of Amalgamation and Arrangement under sections 391 to 394 of the Companies Act, 1956 amongst JSW Steel Limited, JSW ISPAT Steel Limited, JSW Building Systems Limited, JSW Steel Coated Products Limited and their respective shareholders and creditors on 3rd May 2013. The Order sanctioning the Scheme has been uploaded on the High Court's website on 7th May 2013.

The certified copy of the Order sanctioning the Scheme is awaited. Pursuant to Section 391 (3) of the Companies act, 1956, the Scheme shall become effective once the certified copy of the Order is filed with the Registrar of Companies, Maharashtra. Consequently, the above results do not include any adjustments that may arise once the Scheme is implemented.

- Previously, the financial year of the Company ended on 30th June. The Company has changed the financial year to end on 31st March. Accordingly, the current financial year's figures are for the nine months period ended 31st March 2013 and are not strictly comparable with those of the previous year.

- Exceptional items include: (₹ in crores)

Particulars	Quarter ended 31 st March 2013	Nine months ended 31 st March 2013
Gain/(Loss) on account of foreign exchange fluctuation on operating balances/forward exchange contracts and marking-to-market of derivative contracts	31.12	106.74
Write-back of provision for potential loss of inventory in transit	-	104.83
Provision against unsecured loan, being doubtful of recovery, given by the Company to Ispat Energy Limited, a wholly owned subsidiary till 17 th November 2012, for refund of advance share application money	-	(27.60)
Total	31.12	183.97



4. There were no extra-ordinary items during the respective periods reported above.
5. Other income includes a sum of ₹ 89.48 crores and ₹ 286.42 crores for the quarter and nine months ended 31st March 2013 respectively (₹ 95.57 crores for the quarter ended 31st March 2012 and ₹ 386.89 crores for the year ended 30th June 2012), 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 figures of the last quarter are the balancing figures between the audited figures in respect of the nine months period up to 31st March 2013 and the unaudited published year-to-date figures up to 31st December 2012, being the date of end of the second quarter of the financial year which were subjected to limited review.
9. The standalone and consolidated audited financial results for the nine months period ended 31st March 2013 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 21st May 2013.



10. Statement of Assets and Liabilities

(₹ in crores)

Sr. No.	Particulars	Standalone		Consolidated	
		As at 31st March 2013	As at 30th June 2012	As at 31st March 2013	As at 30th June 2012
A	Equity and liabilities				
1	Shareholders' funds				
	(a) Share capital	3,001.56	3,001.56	3,001.56	3,001.56
	(b) Reserves and surplus	(1,811.43)	(1,820.10)	(1,812.73)	(1,838.42)
	Sub Total - Shareholders' funds	1,190.13	1,181.46	1,188.83	1,163.14
2	Non-current liabilities				
	(a) Long-term borrowings	5,548.90	6,034.83	5,548.90	6,034.83
	(b) Other long-term liabilities	227.81	8.85	227.81	8.85
	(c) Long-term provisions	46.27	44.27	46.27	44.27
	Sub Total - Non-current liabilities	5,822.98	6,087.95	5,822.98	6,087.95
3	Current liabilities				
	(a) Short-term borrowings	247.17	180.96	247.17	180.96
	(b) Trade payables	4,176.08	3,825.09	4,176.20	3,825.86
	(c) Other current liabilities	1,045.25	908.98	1,045.25	936.72
	(d) Short-term provisions	4.61	6.58	4.61	6.58
	Sub Total - Current liabilities	5,473.11	4,921.61	5,473.23	4,950.12
	TOTAL - Equity and liabilities	12,486.22	12,191.02	12,485.04	12,201.21
B	Assets				
1	Non-current assets				
	(a) Fixed assets	6,792.87	7,009.76	6,792.87	7,005.80
	(b) Goodwill on consolidation	-	-	31.12	31.12
	(c) Non-current investments	160.99	160.99	160.98	160.98
	(d) Deferred tax assets (net)	2,381.25	2,087.94	2,381.25	2,087.94
	(e) Long-term loans and advances	445.86	189.43	445.58	189.14
	(f) Other non-current assets	27.81	82.34	27.81	82.34
	Sub Total - Non-current assets	9,808.78	9,530.46	9,839.61	9,557.32
2	Current assets				
	(a) Inventories	1,486.05	1,713.25	1,710.91	1,937.75
	(b) Trade receivables	691.00	591.17	435.39	335.56
	(c) Cash and bank balances	78.79	9.82	78.81	9.92
	(d) Short-term loans and advances	393.03	320.48	391.75	320.55
	(e) Other current assets	28.57	25.84	28.57	40.11
	Sub Total - Current assets	2,677.44	2,660.56	2,645.43	2,643.89
	TOTAL - Assets	12,486.22	12,191.02	12,485.04	12,201.21

For and on behalf of the board



Place: Mumbai
Date: 21st May 2013

B. K. Singh
Chief Executive Officer

To
Board of Directors of
JSW ISPAT Steel Limited.

1. We have audited the quarterly financial results of JSW ISPAT Steel Limited for the quarter ended March 31, 2013 and the financial results for the nine months period ended March 31, 2013, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, 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 audited by us. The quarterly financial results are the derived figures between the audited figures in respect of the nine months period ended March 31, 2013 and the published year-to-date figures up to December 31, 2012, being the date of the end of the second quarter of the current financial year, which were subjected to limited review. The financial results for the quarter ended March 31, 2013 have been prepared on the basis of the financial results for the six-months period ended December 31, 2012, the audited annual financial statements as at and for the nine months period ended March 31, 2013, and the relevant requirements of Clause 41 of the Listing Agreement and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the six-months period ended December 31, 2012 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India, our audit of the annual financial statements as at and for the nine months period ended March 31, 2013, and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



3. Attention is drawn to Note 1 of the accompanying statement of financial results, which describes the basis of recognition of net deferred tax asset (DTA) of Rs. 2381.25 crores as at March 31, 2013 (including Rs. 159.33 crores and Rs 293.31 crores recognized during the quarter and nine months ended March 31, 2013 respectively). In the absence of sufficient appropriate audit evidence to support the virtual certainty of recoverability of such deferred tax assets, we are unable to comment on the DTA recognised of Rs 2381.25 crores as at year end. Our audit opinion on the financial statements for the year ended June 30, 2012 and review report for the quarter ended December 31, 2012 was qualified in relation to recognition of DTA.
4. In our opinion and to the best of our information and according to the explanations given to us, *except for the effects, if any, of the observation in para 3 above*, these quarterly financial results as well as the year to date results:
- i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2013 and nine months period ended March 31, 2013.
5. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2013 represent the derived figures between the audited figures in respect of the nine months period ended March 31, 2013 and the published year-to-date figures up to December 31, 2012, being the date of the end of the second quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Clause 41(I)(d) of the Listing Agreement.
6. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

S.R. Batliboi & Co. LLP

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E

Hemal

per Hemal Shah

Partner

Membership No.: 42650

Place: Mumbai

Date: May 21, 2013

