JSL/BM-5/2016-17 February 7, 2017

BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai – 400 001
Ph. 022 - 2272 3121, 2037, 2041,
3719, 2039, 2272 2061
Email: corp.relations@bseindia.com
Security Code No.: 532508

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot no. C/1, G Block
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051
Ph. 022 -2659 8237, 8238, 8347, 8348
Email: cmlist@nse.co.in
hsurati@nse.co.in
Security Code No. : JSL

Sub.: Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Financial results and Limited Review Report

Dear Sir/Madam,

In compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the unaudited standalone financial results set out in compliance with Indian Accounting Standards (Ind-AS) for the quarter / period ended 31st December, 2016 together with Limited Review Report thereon is enclosed.

The above financial results have been approved by the Board of Directors at its meeting held today, which commenced at 12:00 Noon and concluded at 6.20 p.m.

You are requested to kindly take the above information on record.

Thanking you,

Yours faithfully,
For **Jindal Stainless Limited**

JINDAL STAINLESS LIMITED

(Raajesh Kumar Gupta)
Company Secretary

JINDAL STAINLESS LIMITED

CIN: L26922HR1980PLC010901

Regd. Office: O.P.Jindal Marg, Hisar-125 005 (Haryana)

Ph. No. (01662) 222471-73, Fax No. (01662) 220399, Email Id. for Investors' investorcare@jindalstainless.com, Website: www.jslstainless.com

Email Id. for Investors: investorcare@jindalstainless.com, Website: www.jslstainless.com

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED 31ST DECEMBER , 2016

Rs. in Crore, except per share data

S. No.	Particulars	Unaudited for the Quarter ended			Unaudited for the Nine Months ended	
		31st Dec, 2016	30th Sep, 2016	31st Dec, 2015	31st Dec, 2016	31st Dec, 2015
		Post Scheme*	Post Scheme*	Post Scheme*	Post Scheme*	Post Scheme*
1	Income from Operations:					
	(a) Gross Sales / Income from operations	2,258.00	2,072.55	1,662.60	6,475.37	5,430.91
	(b) Other Operating Income	0.75	3.65	0.56	14.58	1.74
	Total Income from Operations	2,258.75	2,076.20	1,663.16	6,489.85	5,432.65
2	Expenses					
	(a) Cost of Material Consumed	1,356.11	1,233.10	863.87	3,631.05	2,471.30
	(b) Purchase of Stock in Trade	6.94	6.78	60.53	145.25	30.55
	(c) Changes in Inventories of finished goods, work in progress and stock in trade	(194.13)	(98.76)	24.69	(185.42)	(11.85)
	(d) Employee benefits expense	25.29	27.51	21.05	78.15	55.72
	(e) Excise Duty expense	165.83	161.33	125.60	478.96	354.69
	(f) Depreciation and amortisation expense	77.55	76.41	72.73	229.16	216.07
	(g) Stores and Spares consumed	104.42	108.61	86.15	317.85	253.43
	(h) Power & Fuel	128.45	130.51	122.74	384.10	331.09
	(i) Other expenditure	305.15	275.19	220.87	844.73	642.97
	Total Expenses	1,975.61	1,920.68	1,598.23	5,924.81	4,871.92
3	Profit/(Loss) from operations before other income, finance costs and exceptional Items (1-2)	283.17	157.52	65.69	564.51	560.73
4	Other Income	2.47	5.04	1.79	11.09	16.37
5	Profit /(Loss) from Ordinary Activities before finance cost and exceptional Items (3+4)	285.64	162.56	67.68	575.60	577.10
6	Finance cost (net of interest income - Refer note no 11)	205.82	262.92	241.39	727.80	730.24
7	Profit /(Loss) from Ordinary Activities after finance cost but before exceptional items (5-6)	79.82	(107.36)	(197.71)	(151.80)	(153.14)
8	Exceptional items - Gain /(Loss) - Refer note no 9	2.01	7.96	77.86	(5.37)	(25.42)
9	Profit /(Loss) from Ordinary Activities before tax (7+8)	81.83	(99.40)	(205.57)	(157.17)	(178.56)
10	Tax (Deferred Tax)	21.40	(34.32)	(71.15)	(54.39)	(60.41)
11	Net profit / (loss) from Ordinary Activities after tax (9-10)	60.43	(65.08)	(134.42)	(102.78)	(118.12)
12	Extraordinary items (net of tax)	-	-		-	-
13	Net profit /(loss) for the period (11-12)	60.43	(65.08)	(134.42)	(102.78)	(118.12)
14	Other Comprehensive Income (net of tax)	-	-		-	-
15	Total Comprehensive Income for the period (comprising Profit / (Loss) for the period (after tax) and other Comprehensive Income (after tax) (13+14)	10.43	(65.08)	(134.42)	(102.78)	(118.12)
16	Paid-up Equity Share Capital (face value of Rs. 2/- each)	79.89	79.89	46.24	79.89	46.24
17	Share Capital Suspense Account	-			-	33.65
18.i	Earning per share (EPS) (before extraordinary items) (of Rs 2/-each)					
	a) - Basic	1.51	(2.81)	(5.82)	(3.98)	(6.86)
	b) - Diluted	1.47	(2.81)	(5.82)	(3.98)	(6.86)
	(EPS for the period not annualised)					
18.ii	Earning per share (EPS) (after extraordinary items) (of Rs 2/-each)					
	a) - Basic	1.51	(2.81)	(5.82)	(3.98)	(6.86)
	b) - Diluted	1.47	(2.81)	(5.82)	(3.98)	(6.86)
	(EPS for the period not annualised)					

Post Scheme = Post implementation of all Sections 11 to 19 of the Composite Scheme of Arrangement (Refer note no 6)

Notes:

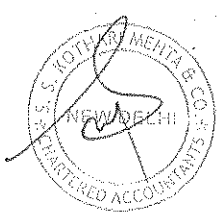
1 The financial results of the company for the quarter and nine months ended 31st December, 2016 have been reviewed by the audit committee and approved by the board of directors at their respective meetings held on 7th February, 2017 and the limited review of the same has been carried out by the auditors.

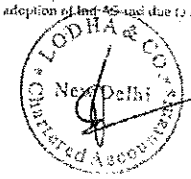
2 (a) These results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act 2013 and other recognized accounting practices and policies to the extent applicable. Consequently, results for the quarter and nine months ended 31st December, 2015 have been restated to comply with Ind AS to make them comparable.

(b) There is a possibility that these quarterly financial results along with the provisional financial statements as of and for the year ended March 31, 2016 may require adjustment before considering the final Ind AS financial statements as of and for the year ending March 31, 2017 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by ICAI or changes in the use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.

3 The format for unaudited quarterly results as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated 30th November 2015 has been modified to comply with requirements of SEBI's circular dated 5th July 2016, Ind-AS and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind-AS.

4 As at 31st March, 2016, as per previous GAAP, the net worth of the Company had been eroded in view of the accumulated losses of the Company. The Company is taking necessary steps for early enhancement of net worth through better utilization of its production facilities and proposed conversion of Funded interest Term Loan (FITL) by the lenders of the Company into Equity Shares / Optionally Convertible Redeemable Preference shares. Thus, these accounts have been prepared on a going concern basis. Further post adoption of Ind-AS and due to adoption of fair valuation of assets (including fixed assets as allowed in Ind-AS and liabilities), the net worth of the company became positive (refer note 6 (b) & 8)





5 (a) A Composite Scheme of Arrangement (the 'Scheme') amongst Jindal Stainless Limited (the Company/ Transferee Company) and Jindal Stainless (Hisar) limited (JSHL), Jindal Unicon Steel Limited (JUSL) and Jindal Coke Limited (JCL) under the provisions of Sec 391-394 of the Companies Act, 1956 and other applicable provisions of Companies Act, 1956 and/ or Companies Act, 2013 was sanctioned by the Hon'ble High Court of Punjab & Haryana, Chandigarh (High Court) pursuant to its Order dated 21st September 2015 (as modified on 12th October, 2015). Section I and Section II of the Scheme became effective on 1st November, 2015, operative from the 'Appointed Date 1' specified in the scheme for section I and II i.e. close of business hours before midnight of March 31, 2014 [the same was given effect to in the revised financial statements for the year ended 31st March 2015] and Section III and Section IV of the Scheme has become effective on 24th September 2016 [i.e. on receipt of approvals from the Orissa Industrial Infrastructure Development Corporation (OIIDCO) for the transfer/ grant of the right to use in the land on which Hot Strip (HSM Plant) & Coke Oven Plants are located to JUSL & JCL respectively as specified in the Scheme] operative from the 'Appointed Date 2' specified in the scheme for section III and IV i.e. close of business hours before midnight of March 31, 2015 [the effect of same has been given in the revised financial statements for the year ended 31st March 2016].

The details of profit & loss as published for the quarter and nine months ended 31st December, 2015, for comparison purposes, are as follows:

(Rs. in Crore)

Particulars	Quarter ended 31st December, 2015 (As per Previous GAAP)		Nine Months ended 31st December 2015 (As per Previous GAAP)	
	Reported	Recasted (Post Scheme)	Reported	Recasted (Post Scheme)
Total Revenue (including other income)	1,613.66	1,559.13	4,859.71	4,704.19
Total expenses	1,804.91	1,743.19	5,169.56	5,262.71
Profit/ (Loss) before taxes	-191.25	-183.06	-579.84	-558.52
Taxes	0.00	0.00	0.00	0.00
Profit/ (Loss) after tax	-191.25	-183.06	-579.84	-558.52

(b) Post section III and section IV of the Scheme becoming effective (refer note 5(a) above), as per the Scheme the Company is continued to operate the business on behalf of JCL & JUSL in trust in so far as may be necessary until all rights, licenses/ permits for using inventory of coke (including trading and transport permit), approvals and sub-lease for use of the land or obligation etc. stand fully devolved to and in favour of the resulting companies (JCL & JUSL). Accordingly, the revenue and expenses in this regard for the quarter and nine months ended 31st December 2016 have been excluded from these results.

(c) Impact of the shares allotted earlier and proposed conversion of FITL into equity shares (read with note 8 below), being anti-dilutive, has not been considered in the periods other than current quarter.

6 (a) Reconciliation of Net Profit (Post-scheme recasted- read with note no. 5 above) on account of transition from Previous GAAP to Ind-AS for the quarter & nine month ended 31st December 2015 is given below:

(Rs. in Crore)

Particulars	Quarter ended 31st December '15	Nine Months ended 31st December '15
Net Profit/ (Loss) under previous GAAP	-183.06	-558.52
On Account of Measuring Investments at fair Value through Profit & Loss	0.02	0.03
On Account of Interest	-0.10	-0.28
Reassessment of depreciation on fair valuation and changes in useful life	12.30	34.20
Others	0.29	0.86
Deferred tax adjustment	-71.15	-205.41
Net Impact	-58.64	-170.10
Net Profit/ (Loss) under IND AS	-124.42	-388.42

(b) The company has considered revised fair value (pursuant to the Section III and Section IV of the Scheme becoming effective on 24th September 2016, read with Note 5 above) for Property i.e. Land, Building and Plant & Machinery situated in India and the impact of Rs. 1,817.83 Crore (inclusive of investment property Rs. 19.56 Crore) [As against Rs. 2,163.77 Crore (inclusive of investment property Rs.49.56 Crore) previously recorded], in accordance with stipulations of Ind AS 101 with resulted impact being accounted for in the reserves. Accordingly on re-assessment of lives of assets (as assessed and estimated by the management and a technical valuer), depreciation reflected in the statement of Profit and Loss is higher by Rs. 12.20 Crore for three months ended 31st December 2016 and Rs.35.68 Crore for nine months ended 31st December 2016 and to that extent loss is higher and profit for the quarter is lower.

7 The Company had challenged the legality of Orissa Entry Tax Act 1959 in the state of Odisha in the Hon'ble Odisha High Court / Supreme Court of India. On 16.04.2010 the Entry tax matters of the states have been referred to a larger 9-judges Constitutional Bench of the Supreme Court of India. The 9 judge bench while holding the constitutional validity of entry tax, has, vide its Order dated 11th November 2016, referred the same to divisional/ regular benches for testing and determination of the Article 304 (a) of the constitution vis a vis state legislation and levy of entry tax on goods entering the landmass of India from another country. The Company has been making necessary provisions towards liability in this regard. Interest/ penalty if any, will be accounted for as and when this is finally settled/ determined by the Regular Benches hearing the matters, where the appropriate proceedings are continuing.

8 Subject to approval of shareholders in the EGM to be held on 11th February, 2017, the Company proposes to allot following shares / warrants on preferential basis:
(a) 6,39,38,486 nos. of fully paid up equity shares of Rs. 2 each at Rs. 39.10 per share (including premium of Rs. 37.10 per share) and 16,49,44,334 nos. of optionally convertible redeemable preference shares (OCRPS) of Rs. 2 each at Rs. 39.10 per share (including premium of Rs. 37.10 per share) on conversion of FITL of Rs. 250 crore and Rs. 644.93 crore respectively
(b) 1,91,81,585 nos. of Compulsorily Convertible Warrants (CCW) of Rs. 2 each at Rs. 39.10 per CCW (including premium of Rs. 37.10 per CCW) to a promoter group entity and each warrant is eligible for equal nos. of equity shares.

9 Net foreign exchange gain/loss has been considered by the Company as exceptional in nature.

10 As the company's business activity falls within a single primary business segment viz. 'stainless steel', the disclosure requirement of Ind-AS 108 is not applicable.

11 Finance Cost is net of Interest Income of Rs. 61.85 Crore and Rs. 67.64 Crore for the quarter and nine months ended 31st December, 2016 respectively, received from JCL & JUSL.

12 Profits for the quarter ended 31st December 2016 are higher partly on account of stock gain as a result of substantial increase in prices of Ferro Chrome during the quarter.

13 Figures of the previous periods have been regrouped / recast / reclassified wherever considered necessary.

By Order of the Board of Directors
For Jindal Stainless Limited

S. Bhattacharya
Whole Time Director

Place: New Delhi
Date: 7th February, 2017

Limited Review Report

To The Board of Directors of
JINDAL STAINLESS LIMITED

1. We have reviewed the accompanying statement of unaudited quarterly financial results of JINDAL STAINLESS LIMITED ('the Company') for the quarter and nine months ended 31st December 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

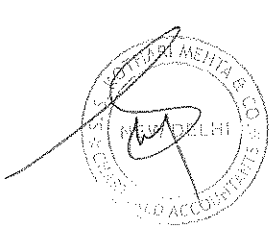
   This statement is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in their meeting held on 7th February 2017. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE 2410) "Review of Interim Financial Information performed by the Independent Auditor of the Entity" , issued by the Institute of The Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance about whether the financial results are free of material misstatement(s). A review is limited primarily to enquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Emphasis of Matters:

   We draw attention to the following matters:

   a) Pending necessary approvals for managerial remuneration for the period covered by this report read with Note no. 49(C)(i) of the REVISED audited accounts for the year ended 31st March 2016.
   b) Pending confirmations/reconciliation of balances of certain secured loans (read with Note No. 27 of the Revised financial statements for the year ended 31st March 2016), loans & advances, trade receivables, trade payables & other liabilities read with Note no. 32(A)(iii)(g) & 32(B) and 40(A) of the REVISED audited accounts for the year ended 31st March 2016.
   c) Investments and loan & advances to certain subsidiary/other companies and Mat Credit entitlement, considered as good and fully realizable/ recoverable and no provision for diminution in value is considered necessary in the opinion of the management as stated in note no. 40(B) of the REVISED audited accounts for the year ended 31st March 2016.
   d) The company has made investment of Rs. 8.56 crore (As per Ind AS Rs. 8.47 Crore as on 31st December, 2016) [along with bank guarantee of Rs. 10.01 Crore] and Rs.0.10 Crore in MJSJ Coal Limited and Jindal Synfuels Limited respectively. The company continues to treat the investment as good and recoverable in view of the pending decision challenging the Order and other circumstances mentioned therein.



e) The company continues to prepare its accounts on a going concern basis for the reasons as stated in note no. 4 of accompanying financial results.

Our conclusion is not modified in respect of these matters.

4. Based on our review conducted as above and read with matters stated under Para 3, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in all material respects in accordance with the applicable Accounting Standards i.e. Ind AS prescribed u/s 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, 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
Dated: 7th February 2017

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants
FRN: 000756N

SUNIL WAHAL
Partner
Membership No. 87294