

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

(Rs in crores, except per share data)						
Particulars	Unaudited for the quarter ended			Unaudited for the half year ended		Audited for the year ended
	30th Sep, 2012	30th June, 2012	30th Sep, 2011	30th Sep, 2012	30th Sep, 2011	31st March, 2012
1 Income from Operation:						
Gross Sales / Income from Operations	2,664.43	2,403.05	1,975.78	5,067.48	4,102.48	8,471.23
Less: Excise Duty on sales	207.14	196.36	142.19	403.50	296.06	607.28
(a) Net Sales / Income from Operations	2,457.29	2,206.69	1,833.59	4,663.98	3,806.42	7,863.95
(b) Other Operating Income	6.57	10.21	4.00	16.78	8.10	27.10
Total Income from Operations (net) [1 (a)+1 (b)]	2,463.86	2,216.90	1,837.59	4,680.76	3,814.52	7,891.05
2 Expenses						
(a) Cost of Material Consumed	1,865.05	1,680.74	1,228.37	3,545.79	2,484.46	5,653.64
(b) Purchase of Stock in Trade	3.95	15.21	16.81	19.16	77.64	96.90
(c) Changes in Inventories of finished goods, work in progress and stock in trade	(70.93)	(237.44)	(25.28)	(308.37)	(51.74)	(435.34)
(d) Employee benefits expense	60.05	59.94	44.14	119.99	89.03	169.83
(e) Depreciation and amortisation expense	171.37	170.13	93.96	341.50	183.07	408.61
(f) Stores and Spares consumed	123.26	109.50	91.73	232.76	175.51	374.07
(g) Power & Fuel	201.60	217.88	156.51	419.48	304.69	646.29
(h) Other expenditure	163.71	139.69	111.30	303.40	219.41	481.61
Total Expenses	2,518.06	2,155.65	1,717.54	4,673.71	3,482.07	7,395.61
3 Profit / (Loss) from Operations before other Income, Finance Cost and Exceptional Items (1-2)	(54.20)	61.25	120.05	7.05	332.45	495.44
4 Other Income	9.58	14.70	19.77	24.28	33.83	75.31
5 Profit / (Loss) from Ordinary Activities before finance cost and exceptional items (3+4)	(44.62)	75.95	139.82	31.33	366.28	570.75
6 Finance cost	250.57	207.11	125.06	457.68	241.50	516.80
7 Profit / (loss) from Ordinary Activities after finance cost but before exceptional items (5-6)	(295.19)	(131.16)	14.76	(426.35)	124.78	53.95
8 Exceptional items - Gain / (Loss) - Refer note no 3	67.76	(209.13)	(159.31)	(141.37)	(142.18)	(207.76)
9 Profit/(loss) from Ordinary Activities before tax (7+8)	(227.43)	(340.29)	(144.55)	(567.72)	(17.40)	(153.81)
10 Tax expense	(75.17)	(108.88)	(46.61)	(184.05)	(5.25)	(49.91)
11 Net profit / (loss) from Ordinary Activities after tax (9-10)	(152.26)	(231.41)	(97.94)	(383.67)	(12.15)	(103.90)
12 Extraordinary items	-	-	-	-	-	-
13 Net profit / (loss) for the period (11-12)	(152.26)	(231.41)	(97.94)	(383.67)	(12.15)	(103.90)
14 Paid-up Equity Share Capital (face value of Rs. 2/- each)	38.11	37.96	37.61	38.11	37.61	37.90
15 Reserves excluding revaluation reserve as per balance sheet of previous accounting year						2,144.23
16 Earning per share (EPS) (of Rs 2/-each)						
a) - Basic	(8.02)	(12.21)	(5.22)	(20.21)	(0.65)	(5.52)
b) - Diluted	(8.05)	(12.21)	(5.22)	(20.21)	(0.65)	(5.52)
<i>(EPS for the quarter and half year not annualised)</i>						
Debenture Redemption Reserve				64.48	72.66	67.97
Debt Equity Ratio ¹				5.91	4.29	4.58
Debt Service Coverage Ratio ²				0.10	1.44	1.02
Interest Service Coverage Ratio ³				0.18	1.52	1.10
A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
- Number of Shares	98,455,963	97,726,019	95,974,153	98,455,963	95,974,153	97,434,041
- Percentage of Shareholding	56.94	56.75	56.31	56.94	56.31	56.68
2 Promoters and promoter group shareholding						
(a) Pledged / Encumbered :						
Number 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)	34.28	34.41	34.73	34.28	34.73	34.46
(b) Non -encumbered:						
Number of shares	9,160,625	9,160,625	9,160,625	9,160,625	9,160,625	9,160,625
% 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)	4.81	4.83	4.87	4.81	4.87	4.83

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

¹Debt Equity Ratio = Total Debt/Net Worth ; Net Worth = Equity Share Capital + Reserve & Surplus - Mines Development Expenses to the extent not w/ off

²Debt Service Coverage Ratio = Earning before Interest, Tax & Exceptional Items / (Finance cost net of FITL+Repayments during the period)

³Interest Service Coverage Ratio = Earning before Interest, Tax & Exceptional Items / Finance cost net of FITL

Particulars		3 months ended (30th Sep 2012)	
B	INVESTOR COMPLAINTS		
	Pending at the beginning of the quarter	-	
	Received during the quarter	3	
	Disposed of during the quarter	3	
	Remaining unresolved at the end of the quarter	-	

Standalone Statement of Assets and Liabilities		As at	
		30th September 2012	31st March 2012
Particulars		Unaudited	Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share Capital	38.10	37.90
	b) Reserve and Surplus	1,773.66	2,144.23
	c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	1,811.76	2,182.13
2	Share Application Money pending allotment	-	-
3	Minority Interest	-	-
4	Non Current Liabilities		
	a) Long Term borrowings	8,303.23	7,712.58
	b) Deferred tax liabilities (net)	210.52	394.57
	c) Other Long term liabilities	8.87	12.65
	d) Long term provisions	8.98	8.68
	Sub-total - Non Current liabilities	8,531.60	8,128.48
5	Current Liabilities		
	a) Short Term borrowings	1,943.50	1,531.45
	b) Trade payables	2,690.17	2,033.95
	c) Other Current liabilities	1,444.70	1,810.75
	d) Short term provisions	376.60	377.43
	Sub-total - Current liabilities	6,454.97	5,753.58
	TOTAL - EQUITY AND LIABILITIES	16,798.33	16,064.19
B	ASSETS		
1	Non Current Assets		
	a) Fixed Assets	10,144.28	10,216.88
	b) Goodwill on consolidation	-	-
	c) Non-Current Investments	168.86	168.86
	d) Deferred tax assets (net)	-	-
	e) Long term loans and advances	136.31	206.03
	f) Other non current assets	16.76	22.14
	Sub-total - Non Current Assets	10,466.21	10,613.91
2	Current Assets		
	a) Current Investments	1.00	1.04
	b) Inventories	3,086.78	2,702.76
	c) Trade Receivable	1,769.29	1,505.66
	d) Cash and Cash equivalents	94.39	164.20
	e) Short term loans and advances	1,376.75	1,072.65
	f) Other current assets	3.91	3.97
	Sub-total - Current Assets	6,332.12	5,450.28
	TOTAL - ASSETS	16,798.33	16,064.19

Notes:

- The financial results of the Company for the quarter and half year ended 30th Sep 2012 have been reviewed by the Audit committee and taken on record by the Board of Directors in its meeting held on 31st October 2012 and the limited review of the same has been carried out by the statutory auditors.
- The Rework proposal of the Company for restructuring of its debts under the CDR mechanism with cut off date of 31st March 2012 has been approved by the CDR Empowered Group vide their meeting held on 24th August 2012. Consequently, upward revision in finance cost has been considered in quarter and half year ended 30th September 2012. Restructuring of ECB of USD 225 Mn is under negotiation.
- Due to volatile movement in value of the rupee against US Dollar, the net foreign exchange gain/loss has been considered by the Company as exceptional in nature
- Results have been adversely impacted during the quarter ended 30th September 2012 on account of:
 - Subdued economic conditions both internationally and domestically,
 - Surge in imports of stainless steel flat products into India,
 - Stainless steel production facility at Odisha is under ramp up.
- Upon receipt of FCCB conversion notices dated 17th August, 2012 and 18th September 2012, the Company has allotted 7,29,944 fresh equity shares of Rs 2/- each at a fixed exchange rate of Rs 43.75, at a conversion price of Rs 119.872 per share. Consequently, as on 30th September 2012 the paid up share capital of the Company stood at Rs 38,10,55,094/- divided into 19,05,27,547 equity shares of Rs 2/- each.
- The Company has entered into a new long term contract for coke oven tolling with Stemcor India Private Limited.
- 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.
- The previous quarter/year figures have been regrouped wherever necessary.

Place: New Delhi
Date: 31st October, 2012

RAMESH R. NAIR
President & Executive Director