

JINDAL STAINLESS LIMITED
CIN: L26922HR1980PLC010901

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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015

(Rs in crore, except per share data)

Particulars	Unaudited for the Quarter ended			Unaudited for Nine Months ended		Audited for the Year ended (Revised)
	31st December, 2015	30th September, 2015	31st December, 2014	31st December, 2015	31st December, 2014	31st March, 2015
	Post Scheme	Post Scheme	Pre Scheme	Post Scheme	Pre Scheme	Post Scheme
1 Income from Operations:						
(a) Net Sales / Income from Operations (Net of excise duty)	1,611.64	1,600.93	2,965.46	4,872.58	9,494.52	6,000.67
(b) Other Operating Income	0.56	0.72	8.09	1.74	20.56	10.27
Total Income from Operations (net) [1(a)+1(b)]	1,612.19	1,601.65	2,973.55	4,874.32	9,515.08	6,010.94
2 Expenses						
(a) Cost of Material Consumed	936.57	1,034.71	1,956.80	3,103.17	6,373.71	3,945.06
(b) Purchase of Stock in Trade	80.53	-	-	80.53	-	-
(c) Changes in Inventories of finished goods, work in progress and stock in trade	4.15	(23.29)	146.91	(89.06)	49.47	189.91
(d) Employee benefits expense	29.09	31.91	64.52	92.05	192.87	115.63
(e) Depreciation and amortisation expense	92.23	95.30	123.06	279.89	380.37	392.55
(f) Stores and Spares consumed	89.78	87.80	171.19	272.57	556.88	311.26
(g) Power & Fuel	150.73	156.20	291.73	482.83	1,019.25	637.48
(h) Other expenditure	165.66	143.14	202.32	467.68	628.98	507.59
Total Expenses	1,548.73	1,525.77	2,956.53	4,689.67	9,201.53	6,099.48
3 Profit/(Loss) from operations before other Income, finance cost and exceptional items (1-2)	63.46	75.88	17.02	184.65	313.55	(88.54)
4 Other Income	1.47	8.22	11.31	15.39	32.28	52.79
5 Profit/(Loss) from Ordinary Activities before finance cost and exceptional items (3+4)	64.93	84.10	28.33	200.05	345.83	(35.75)
6 Finance cost	248.20	253.05	338.48	746.43	1,022.83	915.81
7 Profit/(Loss) from Ordinary Activities after finance cost but before exceptional items (5-6)	(183.27)	(168.95)	(310.15)	(546.38)	(677.00)	(951.56)
8 Exceptional items - Gain / (Loss) - Refer note no 6	(7.98)	(19.10)	(31.83)	(33.46)	(32.26)	1,173.19
9 Profit/(Loss) from Ordinary Activities before tax (7+8)	(191.25)	(188.05)	(341.98)	(579.84)	(709.26)	221.63
10 Tax expense	-	-	-	-	(1.45)	(1.45)
11 Net profit / (loss) from Ordinary Activities after tax (9-10)	(191.25)	(188.05)	(341.98)	(579.84)	(707.81)	223.08
12 Extraordinary items	-	-	-	-	-	-
13 Net profit / (loss) for the period (11-12)	(191.25)	(188.05)	(341.98)	(579.84)	(707.81)	223.08
14 Paid-up Equity Share Capital (face value of Rs. 2/- each)	46.24	46.24	45.28	46.24	45.28	45.28
15 Cumulative Compulsory Convertible Preference Shares	-	-	0.96	-	0.96	0.96
16 Share Capital Suspense Account	366.19	366.19	-	366.19	-	366.19
17 Reserves excluding revaluation reserve as per balance sheet of previous accounting year	-	-	-	-	-	(218.21)
18.i Earning per share (EPS) (before extraordinary items) (of Rs 2/- each)						
a) - Basic	(8.27)	(8.15)	(15.84)	(25.09)	(32.79)	10.21
b) - Diluted	(8.27)	(8.15)	(15.84)	(25.09)	(32.79)	7.24
<i>(EPS for the quarter/nine months not annualised)</i>						
18.ii Earning per share (EPS) (after extraordinary items) (of Rs 2/- each)						
a) - Basic	(8.27)	(8.15)	(15.84)	(25.09)	(32.79)	10.21
b) - Diluted	(8.27)	(8.15)	(15.84)	(25.09)	(32.79)	7.24
<i>(EPS for the quarter/nine months not annualised)</i>						

Notes:

- The above financial results of the Company for the quarter and nine months ended 31st December, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 2nd February, 2016 and the limited review of the same has been carried out by the statutory auditors.
- The company over the last few years has been incurring losses due to which its net worth has been fully eroded. The company is taking necessary steps towards enhancement of net worth through better utilisation of its production facilities and monetisation of certain assets. Accordingly, the accounts have been prepared on the going concern basis, keeping in view the company's changing market conditions.



3 In terms of approval by CDR EG vide its letter dated December 26, 2014, the shareholders in the AGM held on 21st December 2015, have approved (i) issue and allotment of 5,36,48,068 nos. equity shares having face value of Rs. 2 each of the Company upon conversion of part of Funded Interest Term Loan (FITL) for an aggregate amount of Rs. 250 Crore and (ii) issue and allotment of 16,13,21,888 nos. Preference Shares [Cumulative Redeemable Preference Share (CRPS)/Optionally Convertible Redeemable Preference Shares (OCRPS) - carrying dividend @ 0.25%] having face value of Rs. 2 each of the Company upon conversion of balance outstanding amount of Funded interest term loan (FITL) for an aggregate amount of Rs. 751.76 Crore. Since allotment of the shares pursuant to the above resolutions could not be given effect to for the want of agreement with CDR Lenders, the Company shall pass fresh resolutions in this regard after agreement with the CDR Lenders.

4 (a) A Composite Scheme of Arrangement (the 'Scheme') amongst Jindal Stainless Limited (the Company/Transferor Company) and Jindal Stainless (Iisar) limited (JSHL), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) under the provision of Sec 391-394 of the Companies Act, 1956 and other applicable provisions of Companies Act, 1956 and/ or Companies Act, 2013 has been 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 has been given effect to in the revised financial statements for the year ended 31st March 2015] and Section III and Section IV of the Scheme will become effective on receipt of necessary approvals for transfer/grant of the right to use in the land on which the HSM Plant & Coke Oven Plant are located as specified in the Scheme operative from the 'Appointed Date 2' i.e. close of business hours before midnight of March 31, 2015.

In view of above, the unaudited financial results for the quarter & nine months ended 31st December 2014 are not comparable.

The details of profit & loss (Recasted) for the quarter & nine months ended 31st December 2014 are as follows:

Particulars	Rs in crore			
	Quarter ended 31st December 2014		Nine Months ended 31st December 2014	
	Reported	Recast	Reported	Recast
Total Revenue (Including other income)	2,984.86	1,422.91	9,547.36	4,500.41
Total expenses	3,326.84	1,766.27	10,256.62	5,271.04
Profit before taxes	(341.98)	(343.36)	(709.26)	(770.63)
Taxes	-	-	(1.45)	(1.45)
Profit after tax	(341.98)	(343.36)	(707.81)	(769.18)

(b) The necessary steps and formalities in respect of transfer of properties, licenses, approvals and investments in favour of JSHL and modification of charges etc. are under implementation. Further transfer of Mining Rights to JSHL is subject to necessary approvals of the concerned authorities.

(c) As prescribed by the Scheme, the Company is required to issue and allot equity shares to JSHL for an amount of Rs. 366.19 Crore (being the amount due and payable by the Company to JSHL as receivables due to JSHL from the Company as of the 'Appointed Date 1' i.e. close of business hours before midnight of March 31, 2014) at a price to be determined in accordance with Chapter VII of SEBI (ICDR) Regulations 2009, with the record date jointly decided by the Board of Directors of the Company and JSHL being considered as relevant date as specified in the Scheme. The Boards of the Company and JSHL have, in their respective meetings held on 6th November, 2015, fixed 21st November, 2015 as the Record Date. However, the price worked out for issue of equity shares by the Company to JSHL, in terms of the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009 was not reflective of the actual price of the Equity Shares of the Company on ex-JSHL basis. Therefore, the allotment of equity shares based on the aforesaid Record Date is not being pursued and the Company is evaluating various options including fixation of new record date and / or approaching Stock Exchanges / SEBI for suitable price adjustment. Accordingly, pending allotment by the Company of the aforesaid equity shares to JSHL, the same has been shown under "Share Capital Suspense Account".

Accordingly, the Diluted EPS has been calculated after taking into account 9,28,93,622 nos. (based on estimated fair value as at December 31, 2015) of equity shares to be allotted against amount of Rs 366.19 crores appearing under "Share Suspense Account" and 6,34,19,584 nos. (based on estimated fair value as at December 31, 2015) of equity shares to be allotted to lenders upon conversion of FITL of Rs. 250 Crores (as mentioned in note no. 3 above), effect of which is anti-dilutive.

5 Discontinuing Operations - Section III and Section IV of the Scheme:

Particulars	Rs in crore			
	Quarter ended 31st December 2015	Quarter ended 30th September 2015	Nine months ended 31st December 2015	Year ended 31st March 2015
Total Revenue (Including other income)	190.95	218.47	573.44	906.67
Total expenses	193.66	228.46	605.14	974.25
Profit before taxes	(2.71)	(9.99)	(31.70)	(67.58)
Tax Expenses	-	-	-	-
Profit after tax	(2.71)	(9.99)	(31.70)	(67.58)

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

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.

By Order of the Board of Directors
For Jindal Stainless Limited

S. Bhattacharya
S. Bhattacharya
Whole Time Director

Place: New Delhi
Date: 2nd February, 2016

