

**UNAUDITED/AUDITED STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH, 2016**

(Rs. in Crore, except per share data)

Particulars	Unaudited for the Quarter ended			Audited for the year ended (Standalone)		Audited for the year ended (Consolidated)	
	31st March, 2016	31st December, 2015	31st March, 2015	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
	Post Scheme	Post Scheme	Pre Scheme	Post Scheme	Post Scheme	Post Scheme	Post Scheme
<b>1 Income from Operations:</b>							
(a) Net Sales / Income from Operations (Net of excise duty)	1,972.28	1,611.64	3,280.16	6,844.86	6,000.67	7,458.48	6,935.13
(b) Other Operating Income	1.32	0.56	7.23	3.06	10.27	5.07	12.83
<b>Total Income from Operations (net) [1(a)+1(b)]</b>	<b>1,973.60</b>	<b>1,612.20</b>	<b>3,287.39</b>	<b>6,847.92</b>	<b>6,010.94</b>	<b>7,463.55</b>	<b>6,947.96</b>
<b>2 Expenses</b>							
(a) Cost of Material Consumed	1,068.04	936.57	2,053.43	4,171.22	3,945.06	4,606.89	4,624.37
(b) Purchase of Stock in Trade	276.88	80.53	-	357.40	-	357.40	-
(c) Changes in Inventories of finished goods, work in progress and stock in trade	(65.31)	4.15	94.07	(154.36)	189.91	(183.92)	235.54
(d) Employee benefits expense	33.32	29.09	70.44	125.37	115.63	168.70	159.48
(e) Depreciation and amortisation expense	112.93	92.23	124.92	392.82	392.55	410.51	411.12
(f) Stores and Spares consumed	106.85	89.78	203.40	379.42	311.26	420.09	351.41
(g) Power & Fuel	162.64	159.51	288.99	667.74	660.59	701.12	692.46
(h) Other expenditure	216.84	156.88	230.22	662.25	484.49	702.65	516.29
<b>Total Expenses</b>	<b>1,912.19</b>	<b>1,548.74</b>	<b>3,065.47</b>	<b>6,601.86</b>	<b>6,099.49</b>	<b>7,183.44</b>	<b>6,990.67</b>
<b>3 Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>61.41</b>	<b>63.46</b>	<b>221.92</b>	<b>246.06</b>	<b>(88.55)</b>	<b>280.11</b>	<b>(42.71)</b>
<b>4 Other Income</b>	<b>8.91</b>	<b>1.47</b>	<b>40.12</b>	<b>24.30</b>	<b>52.79</b>	<b>24.56</b>	<b>54.16</b>
<b>5 Profit/(Loss) from Ordinary Activities before finance cost and exceptional items (3+4)</b>	<b>70.32</b>	<b>64.93</b>	<b>262.04</b>	<b>270.36</b>	<b>(35.76)</b>	<b>304.67</b>	<b>11.45</b>
<b>6 Finance costs</b>	<b>268.14</b>	<b>248.20</b>	<b>340.23</b>	<b>1,014.57</b>	<b>915.81</b>	<b>1,038.31</b>	<b>942.49</b>
<b>7 Profit/(Loss) from Ordinary Activities after finance cost but before exceptional items (5-6)</b>	<b>(197.82)</b>	<b>(183.27)</b>	<b>(78.19)</b>	<b>(744.21)</b>	<b>(951.57)</b>	<b>(733.63)</b>	<b>(931.04)</b>
<b>8 Exceptional items - Gain/(Loss) - Refer note no 8</b>	<b>(3.70)</b>	<b>(7.98)</b>	<b>61.25</b>	<b>(37.15)</b>	<b>1,173.19</b>	<b>(43.18)</b>	<b>1,184.16</b>
<b>9 Profit/(Loss) from Ordinary Activities before tax (7+8)</b>	<b>(201.52)</b>	<b>(191.25)</b>	<b>(16.94)</b>	<b>(781.36)</b>	<b>221.62</b>	<b>(776.82)</b>	<b>253.12</b>
<b>10 Tax expense</b>	<b>10.66</b>	<b>-</b>	<b>-</b>	<b>10.66</b>	<b>(1.45)</b>	<b>12.24</b>	<b>0.01</b>
<b>11 Net profit/(loss) from Ordinary Activities after tax (9-10)</b>	<b>(212.18)</b>	<b>(191.25)</b>	<b>(16.94)</b>	<b>(792.02)</b>	<b>223.07</b>	<b>(789.06)</b>	<b>253.11</b>
<b>12 Extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13 Net profit/(loss) for the period (11-12)</b>	<b>(212.18)</b>	<b>(191.25)</b>	<b>(16.94)</b>	<b>(792.02)</b>	<b>223.07</b>	<b>(789.06)</b>	<b>253.11</b>
<b>14 Share of profit/(loss) of Associate</b>						0.03	-
<b>15 Share of profit/(loss) of Minority</b>						(0.71)	(0.28)
<b>16 Net profit/(loss) after taxes, minority interest and share of profit/(loss) of associates (13+14+15)</b>	<b>(212.18)</b>	<b>(191.25)</b>	<b>(16.94)</b>	<b>(792.02)</b>	<b>223.07</b>	<b>(789.74)</b>	<b>252.83</b>
<b>17 Paid-up Equity Share Capital (face value of Rs. 2/- each)</b>	<b>46.24</b>	<b>46.24</b>	<b>45.28</b>	<b>46.24</b>	<b>45.28</b>	<b>46.24</b>	<b>45.28</b>
<b>18 Cumulative Compulsory Convertible Preference Share Capital</b>	<b>-</b>	<b>-</b>	<b>0.96</b>	<b>-</b>	<b>0.96</b>	<b>-</b>	<b>0.96</b>
<b>19 Share Capital Suspense Account</b>	<b>366.19</b>	<b>366.19</b>	<b>-</b>	<b>366.19</b>	<b>366.19</b>	<b>366.19</b>	<b>366.19</b>
<b>20 Reserves excluding revaluation reserve as per balance sheet of previous accounting year</b>				<b>(1,010.45)</b>	<b>(218.21)</b>	<b>(1,000.65)</b>	<b>(213.82)</b>
<b>21.i Earning per share (EPS) (before extraordinary items) (of Rs 2/-each)</b>							
a) - Basic	(9.18)	(8.27)	(0.78)	(34.61)	10.21	(34.52)	11.57
b) - Diluted	(9.18)	(8.27)	(0.78)	(34.61)	7.24	(34.52)	8.17
<b>(EPS for the quarter not annualised)</b>							
<b>21.ii Earning per share (EPS) (after extraordinary items) (of Rs 2/-each)</b>							
a) - Basic	(9.18)	(8.27)	(0.78)	(34.61)	10.21	(34.52)	11.57
b) - Diluted	(9.18)	(8.27)	(0.78)	(34.61)	7.24	(34.52)	8.17
<b>(EPS for the quarter not annualised)</b>							
<b>22 Debt equity ratio<sup>1</sup></b>					@	@	@
<b>23 Debt service coverage ratio<sup>2</sup></b>				0.44	0.30	0.47	0.34
<b>24 Interest Service coverage Ratio<sup>3</sup></b>				0.65	0.39	0.69	0.45
<b>25 Capital Redemption Reserve</b>				20.00	20.00	20.00	20.00
<b>26 Debenture Redemption Reserve</b>				56.69	59.19	56.69	59.19
<b>27 Networth</b>				<b>(606.86)</b>	<b>194.21</b>	<b>(531.44)</b>	<b>198.61</b>

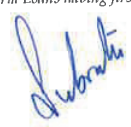
<sup>1</sup> Debt Equity Ratio = Total Debt/Net Worth ; Total Debt = Long Term Borrowings + Short Term Borrowings + Current maturities of long term borrowings; Net Worth = Equity Share Capital + Share Capital Suspense account + Reserve & Surplus - Mines Development Expenses to the extent not w/off (if any)

<sup>2</sup> Debt Service Coverage Ratio = Earning before Depreciation, Interest, Tax & Exceptional Items / (Finance cost + Term Loan Repayments (through the period))

<sup>3</sup> Interest Service Coverage Ratio = Earning before Depreciation, Interest, Tax & Exceptional Items / Finance cost

@ Not given as Net Worth is negative

Note: Asset Cover Available = Fixed Assets (net)/Long Term Loans having first charge on fixed assets


## AUDITED STANDALONE AND CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

	PARTICULARS	Standalone		Consolidated	
		Year ended		Year ended	
		31st March 2016	31st March 2015	31st March 2016	31st March 2015
<b>A</b>	<b>EQUITY AND LIABILITIES</b>				
	<b>1. Shareholders' Funds</b>				
	a. Share Capital	46.24	46.24	46.24	46.24
	b. Share Capital Suspense Account	366.19	366.19	366.19	366.19
	c. Reserves and surplus	(1,010.46)	(218.21)	(935.04)	(213.82)
	<b>Sub-total - Shareholders' Funds</b>	<b>(598.03)</b>	<b>194.22</b>	<b>(522.61)</b>	<b>198.61</b>
	<b>2. Share Application Money pending allotment</b>	-	-	-	-
	<b>3. Minority Interest</b>	-	-	4.82	3.82
	<b>4. Non-current liabilities</b>				
	a. Long term borrowings	7,323.27	8,070.24	7,323.27	8,070.24
	b. Deferred tax liabilities (net)	-	-	-	-
	c. Other long term liabilities	77.92	209.07	77.92	209.07
	d. Long term provisions	7.75	5.20	12.75	8.18
	<b>Sub-total - Non-current liabilities</b>	<b>7,408.94</b>	<b>8,284.51</b>	<b>7,413.94</b>	<b>8,287.49</b>
	<b>5. Current Liabilities</b>				
	a. Short term borrowings	2,057.86	2,333.14	2,368.37	2,732.35
	b. Trade Payables	1,800.69	1,315.73	1,919.19	1,379.06
	c. Other current liabilities	1,533.52	1,399.77	1,549.20	1,414.78
	d. Short term provisions	0.59	2.30	0.59	2.30
	<b>Sub-total - Current Liabilities</b>	<b>5,392.66</b>	<b>5,050.94</b>	<b>5,837.35</b>	<b>5,528.49</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>12,203.57</b>	<b>13,529.67</b>	<b>12,733.50</b>	<b>14,018.41</b>
<b>B</b>	<b>ASSETS</b>				
	<b>1. Non-current Assets</b>				
	a. Fixed Assets	7,387.35	7,531.52	7,621.41	7,696.12
	b. Goodwill on consolidation	-	-	0.12	0.12
	c. Non-current Investments	102.73	103.13	13.70	14.06
	d. Deferred tax Assets (net)	-	-	9.73	10.32
	e. Long term loans and advances	124.12	161.82	165.15	164.81
	f. Other non-current assets	9.64	0.20	9.63	0.20
	<b>Sub-total - Non-current liabilities</b>	<b>7,623.84</b>	<b>7,796.67</b>	<b>7,819.74</b>	<b>7,885.63</b>
	<b>2. Current Assets</b>				
	a. Current Investments	0.28	0.31	0.28	0.31
	b. Inventories	1,785.00	1,720.56	2,054.01	1,957.85
	c. Trade receivables	940.66	956.79	957.10	1,084.60
	d. Cash and cash equivalents	70.20	41.14	80.07	47.54
	e. Short term loans and advances	1,778.70	3,012.87	1,817.41	3,041.16
	f. Other current assets	4.89	1.33	4.89	1.32
	<b>Sub-total - Current Assets</b>	<b>4,579.73</b>	<b>5,733.00</b>	<b>4,913.76</b>	<b>6,132.78</b>
	<b>TOTAL ASSETS</b>	<b>12,203.57</b>	<b>13,529.67</b>	<b>12,733.50</b>	<b>14,018.41</b>

## Notes:

- The figures of last quarter of the current year and previous year are the balancing figures between audited figures in respect of the full financial year ended on 31st March 2016 and 31st March 2015 and the unaudited published year to date (nine months) figures up to the third quarter ended on 31st December 2015 and 31st December 2014 respectively, which were subjected to limited review. Further, the figures of last quarter of previous year are without giving effect to the terms of the Composite Scheme of Arrangement (refer note 4(a)) and are as approved by the Board of Directors of the Company in their meeting held on 30th May 2015. The revised audited figures (Post Scheme) for the previous year ended 31st March 2015 have been disclosed.
- The standalone and consolidated financial results of the Company for the year ended 31st March 2016 which have been extracted from the financial statement audited by the statutory auditors, have been reviewed by the Audit committee and approved by the Board of Directors at their respective meetings held on 28th May, 2016.
- As at 31st March, 2016, the net worth of the Company have been eroded in view of the accumulated losses of the Company. The Company is taking necessary steps towards enhancement of net worth through better utilisation of its production facilities, monetisation of certain assets (refer note no. 4) 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.
- (a) A Composite Scheme of Arrangement (the 'Scheme') amongst Jindal Stainless Limited (the Company/Transferor Company) and Jindal Stainless (Hisar) 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 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 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 ended 31st March 2016 are not comparable. The details of profit & loss (re-casted) for the quarter ended 31st March 2015, for comparison purposes, are as follows:

Particulars	(Rs. in Crore)	
	Quarter ended	
	31st March 2015	
	Reported	Recast
Total Revenue (Including other income)	3,327.51	1,563.32
Total expenses	3,344.45	571.06
Profit before taxes	(16.94)	992.26
Taxes	-	-
Profit after tax	(16.94)	992.26

(b) The necessary steps and formalities in respect of completion 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 in favour of the JSHL is subject to necessary regulatory approvals and compliance of certain conditions as may be prescribed under the Mines and Minerals (Development and Regulation) Amendment Act, 2016. Accordingly, pending transfer of Mining Rights, the mining activities continue to be carried on by the Company and thus to that extent w.e.f 1st Nov 2015 associated liabilities, assets (excluding fixed assets), revenue and net profit before tax amounting to Rs. 9.74 Crore are recorded in the books of the Company.

(c) As prescribed by the Scheme, the Company is required to issue and allot equity shares to JSHL for an amount not exceeding Rs. 366.19 Crore at a price to be determined in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009, with the record date jointly to be decided by the Board of Directors of JSL and the Company being considered as relevant date as specified in the Scheme. The Board in its meeting held on 28th May 2016 on the recommendation of the Board of Directors of JSHL in their meeting held on 27th May, 2016 have fixed 8th June, 2016 as the Record Date. Accordingly, pending allotment by the Company of the aforesaid equity shares to JSHL, the same has been shown under "Share Capital Suspense Account".

Impact of the above and proposed conversion of FITL into equity shares, being anti-dilutive, has not been considered.

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

(Rs. in Crore)

Particulars	Quarter ended 31st March 2016	Quarter ended 31st December 2015	Year ended 31st March 2016	Year ended 31st March 2015
Total Revenue (Including other income)	438.92	190.95	1,012.36	906.67
Total expenses	429.85	193.66	1,034.99	974.25
Profit before taxes	9.07	(2.71)	(22.63)	(67.58)
Tax Expenses	-	-	-	-
Profit after tax	9.07	(2.71)	(22.63)	(67.58)

- During the quarter, the Company has disposed off its shareholding in its subsidiary i.e. Jindal Stainless Madencilik Sanayi VE Ticaret A.S., Turkey. Further, the Company has also initiated steps for winding up of two of its step down subsidiaries viz. Jindal Stainless Italy S.r.l, Italy and JSL Ventures Pte. Ltd, Singapore.
- The credit rating for non-convertible debentures (NCD) by CARE is "Single C". The previous due date for payment of interest and principal of NCD's was 1st March 2016 and 1st January 2016 respectively, which has already been paid as on date. The asset cover available for these NCD's is 1.05 as against previous year cover of 1.02
- Net foreign exchange gain/loss has been considered by the Company as exceptional in nature.
- 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: 28th May, 2016



By Order of the Board of Directors  
For Jindal Stainless Limited

*S. Bhattacharya*  
S. Bhattacharya

Whole Time Director



Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### Independent Auditor's Report

To The Board of Directors Of  
**JINDAL STAINLESS LIMITED**

1. We have audited the standalone quarterly financial results of JINDAL STAINLESS LIMITED ('the Company') for the quarter ended March 31<sup>st</sup>, 2016 and the financial results for the year ended March 31<sup>st</sup>, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31<sup>st</sup>, 2016 and the published year-to-date figures up to December 31<sup>st</sup>, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter and year to date ended March 31<sup>st</sup>, 2016 have been prepared on the basis of the financial results for the nine-month period ended December 31<sup>st</sup>, 2015, the audited annual financial statements as at and for the year ended March 31<sup>st</sup>, 2016, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 nine-month period ended December 31<sup>st</sup>, 2015 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 "Interim Financial Reporting", Interim Financial Reporting, specified under the Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2016; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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(s). 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. Emphasis of Matters:

We draw attention to the following matters:

- a) Net worth of the company has been eroded as stated in note no. 34 of the financial statements and note 3 of the accompanying financial results. The company continues to prepare its accounts on a going concern basis in view of reasons stated in the said note;
- b) Pending necessary approvals for managerial remuneration as stated in Note no. 49(C)(i) of the financial statements;
- c) Pending confirmations/reconciliation of balances of certain secured loans (read with Note No. 27), loans & advances, trade receivables, trade payables & other liabilities read with Note no. 32(A)(iii)(f) & 32(B), 27(2)(d) and 40(A) of the financial statements;
- d) 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 financial statements;
- e) Note no 35 of the financial statements wherein the company has made investment of Rs. 8.56 crore (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;
- f) As prescribed by the Scheme, the company is required to issue equity shares to JSHL for an amount of Rs. 366.19 Crores with the record date (i.e. 8<sup>th</sup> June 2016 jointly decided by the Boards of Directors of the company and JSHL) being considered as relevant date as specified in the Scheme; which are pending for allotment by the company as stated in note no. 27(2)(a) of the financial statements and note 4(c) of the accompanying financial results .
- g) Transfer of Mining Rights pursuant to the Scheme in favour of JSHL is subject to necessary approvals as stated in Note 27 (2)(e) of the financial statements, operations of which the Company is carrying out in trust for JSHL; and pending the same, effect of mining operations carried out by the Company as above and the resultant profit before tax amounting to Rs. 974.15 lacs included in the financial statement of the Company {read with Note 27 (3) of the financial statements} and note 4(b) of the accompanying financial results.

Our opinion is not modified in respect of these matters.




4. In our opinion and to the best of our information and according to the explanations given to us, read with para 3 above, these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended March 31<sup>st</sup>, 2016 and for the year ended March 31<sup>st</sup>, 2016.

For **LODHA & CO.**

Chartered Accountants

FRN: 301051E

  
N.K. LODHA  
Partner

Membership No. 85155

Place: New Delhi

Dated: 28<sup>th</sup> May 2016



For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

FRN: 000756N

  
SUNIL WAHAL  
Partner

Membership No. 87294



Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

## Independent Auditor's Report

### To The Board of Directors Of JINDAL STAINLESS LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of JINDAL STAINLESS LIMITED ("the Company") and its subsidiaries (the company and its subsidiaries together referred to as "the Group") and its share in associate which has been approved by the Board of Directors for the year ended 31.03.2016 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement ("consolidated results"), which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements of the group which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.



We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### 3. Emphasis of Matters:

We draw attention to the following matters:

- a) Net worth of the company has been eroded as stated in note no. 32 of the financial statements and note 3 of the accompanying financial results. The company continues to prepare its accounts on a going concern basis for the reasons as stated in the said note;
- b) Pending necessary approvals for managerial remuneration as stated in Note no. 46 of the financial statements;
- c) Pending confirmations/reconciliation of balances of certain secured loans (read with Note No. 27), loans & advances, trade receivables, trade payables & other liabilities read with Note no. 30(A)(iii)(f) & 30(B), 27(2)(d) and 38(A) of the financial statements;
- d) 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;
- e) Note no 33 of the financial statements wherein the company has made investment of Rs. 8.56 crore (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;
- f) As prescribed by the Scheme, the company is required to issue equity shares to JSHL for an amount of Rs. 366.19 Crores with the record date (i.e. 8th June 2016 jointly decided by the Boards of Directors of the company and JSHL) being considered as relevant date as specified in the Scheme; which are pending for allotment by the company as stated in note no. 27(2)(a) of the financial statements and note 4(c) of the accompanying financial results.
- g) Transfer of Mining Rights pursuant to the Scheme in favour of JSHL is subject to necessary approvals as stated in Note 27 (2)(e) of the financial statements, operations of which the Company is carrying out in trust for JSHL; and pending the same, effect of mining operations carried out by the Company as above and the resultant profit before tax amounting to Rs. 974.15 lacs included in the financial statement of the Company {read with Note 27 (3) of the financial statements} and note 4(b) of the accompanying financial results.

Our opinion is not modified in respect of these matters.





4.

- a) We did not audit the financial statements of four subsidiaries, namely, P.T. Jindal Stainless Indonesia, Jindal Stainless FZE, Jindal United Steel Limited, Jindal Coke Limited, Jindal Stainless UK Limited; included in the consolidated financial results whose financial statements reflect total assets of Rs. 71316.46 Lacs as at 31st March, 2016, total revenues of Rs. 91700.59 Lacs and total loss after tax of Rs. 248.59 Lacs for the year ended on that date, as considered in the consolidated financial statements. We did not audit the financial statement of one associate, namely Jindal Stainless Corporate Management Services Pvt. Limited; in whose financial statements the Company's share of profit is Rs. 2.55 lacs for the year ended on 31st March, 2016. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of subsidiaries, is based solely on the reports of the other auditors.
- b) We have relied on the unaudited financial statements of subsidiary companies namely JSL Group Holding PTE Limited, Iberjindal S. L. and JSL Venture Pte limited; whose total assets of . 15827.48 Lacs as at 31st March, 2016, total revenues of Rs. 18443.73 Lacs. and total profit after tax of Rs. 197.00 Lacs for the year then ended, as considered in the consolidated financial statements. These financial statements/ financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts included and disclosure included in respect of these subsidiaries is based solely on such unaudited financial statements/ financial information.

5. In our opinion and to the best of our information and according to the explanations given to us, read with paragraph 3 & 4(b) above, and based on the consideration of the reports of the other auditors, the Statement in the case of consolidated financial results of the group and its associates:

- (i) Include the results for the year ended 31st March 2016 of the entities: P.T. Jindal Stainless Indonesia, Jindal United Steel Limited, Jindal Coke Limited, Jindal Stainless UK Limited, Jindal Stainless FZE, JSL Group Holding PTE Limited, Iberjindal S. L., JSL Venture Pte limited and Jindal Stainless Corporate Management Services Pvt. Limited;
- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and



- (iii) give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India, of the consolidated net loss and other financial information of the Group and its associate for the year ended 31st March 2016.

For **LODHA & CO.**  
Chartered Accountants  
FRN: 301051E

  
N.K. LODHA  
Partner  
Membership No. 85155



For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants  
ERN-000756N

  
SUNIL WAHAL  
Partner  
Membership No. 87294



Place: New Delhi  
Dated: 28<sup>th</sup> May 2016



ATSL/ DEL/2016-17/157  
May 28, 2016

**Jindal Stainless Limited**  
Jindal Centre, 12, Bhikaji Cama Place,  
New Delhi - 110066

**Sub: Letter of Debenture Trustee pursuant to Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015)**

Dear Sir/Madam,

This has reference to the Privately Placed, Secured, Redeemable, Non- Convertible Debentures issued by Jindal Stainless Limited ("Company") and listed on the BSE Limited ("Listed Debt Securities").

Pursuant to Regulation 52(4) read with Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, the Company is required to submit its half yearly/annual financial results to the Stock Exchange, with a letter of the Debenture Trustee (Axis Trustee Services Limited) that the Debenture Trustee has noted the contents furnished by the Company as per Regulation 52(4).

In pursuance thereof we hereby confirm that we have received the said aforesaid information vide your letter dated May 28, 2016 (enclosed herewith) along with the relevant/necessary supporting and we have noted the contents in respect of the Listed Debt Securities issued by the Company. We have not separately verified the content or information contained therein.

Thanking You,

Yours Faithfully  
For Axis Trustee Services Limited  
(Debenture Trustee)

  
Authorised Signatory

AXIS TRUSTEE SERVICES LTD.  
(A wholly owned subsidiary of Axis Bank)  
Corporate Identity Number (CIN): U74999MH2008PLC182264  
CORPORATE & REGISTERED OFFICE : Axis House, 2nd Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.  
TEL : 022-2425 5215 / 2425 5216 FAX : 022-4325 3000 Website: www.axistrustee.com

Dated: May 28, 2016

**Axis Trustee Services Limited,**  
**(Debenture Trustee),**  
Axis House, 2<sup>nd</sup> Floor,  
Wadia International Centre,  
Pandurang Budhkar Marg,  
Worli, Mumbai – 400 025

Dear Sir/ Madam,

**Subject: Compliance of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements), 2015**

In Compliance of Regulation 52(4) of the SEBI (Listing obligations and Disclosure Requirements) 2015, we hereby submit the required information as under:

(a) *Credit rating and change in credit rating (if any);*

**Response:** The credit rating for non-convertible debentures (NCD) by CARE is “Single C”.

(b) *Asset cover available, in case of non convertible debt securities;*

**Response:** Asset cover available for the NCD's of the Company as on 31<sup>st</sup> March, 2016 is 1.05 as against 1.02 for the previous year.

(Asset cover available = Fixed Assets (net)/Long Term Loans having first charge on fixed assets)

(c) *Debt-equity ratio;*

**Response:** As the accumulated losses of the Company as on 31<sup>st</sup> March, 2016 are in excess of the entire net worth debt – equity ratio has not been calculated.

(d) *Previous due date for the payment of interest & repayment of principal of non-convertible Debentures and whether the same has been paid or not; and,*

**Response:** The previous due date for payment of interest and principal on NCD's was 1st March 2016 and 1st January 2016 respectively, which has already been paid as on date.

(e) *Next due date for the payment of interest/ dividend of non-convertible preference shares /principal along with the amount of interest/ dividend of non-convertible preference shares payable and the redemption amount;*

**Response:** N.A. in case of NCDs

*A*





(f) Debt service coverage ratio;

**Response:** Debt service coverage ratio is 0.44 as against previous year ratio of 0.30

[Debt service coverage ratio = Earning before Depreciation, Interest & Exceptional Items / (Finance cost + Term Loan Repayments during the period)]

(g) Interest service coverage ratio;

**Response:** Interest service coverage ratio is 0.65 as against previous year ratio of 0.39  
(Interest service coverage ratio = Earning before Depreciation, Interest & Exceptional Items / Finance cost)

(h) Outstanding redeemable preference shares (quantity and value);

**Response:** NIL

(i) Capital redemption reserve/debenture redemption reserve;

**Response:** Debenture redemption reserve – Rs. 56.69 Crore

(j) Net worth;

**Response:** Net Worth – Rs. (606.86) Crore as on 31<sup>st</sup> March, 2016.

(k) Net profit after tax;

**Response:** Net profit after tax – Rs. (792.02) Crore for the year ended 31<sup>st</sup> March, 2016.

(l) Earnings per share;

**Response:** Earnings per share – Basic & Diluted – Rs. (34.61) per share for the year ended 31<sup>st</sup> March, 2016.

List of the Debenture holders as on March 31, 2016 is also annexure herewith.

Thank you.

Yours truly,

For Jindal Stainless Limited

(Ashish Gupta)

Chief Financial Officer



**Jindal Stainless Limited**

CIN: L26922HR1980PLC010901

Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi - 110066 India

Registered Office: O. P. Jindal Marg, Hisar - 125005 (Haryana) India

T: +91 11 26188340 - 50 F: +91 11 41659169, 26101562 E: info@jindalstainless.com Website: www.jslstainless.com / www.jindalstainless.com



Annexure :

List of Debenture holders as on March 31, 2016:

**Name & Address:**

1. **Life Insurance Corporation of India**  
Investment Department, 5<sup>th</sup> Floor,  
Central Office, Yogakshema,  
Jeevan Bima Marg,  
Mumbai - 400 021
2. **General Insurance Corporation of India**  
Suraksha, 170 J. Tata Road, Churchgate,  
Mumbai
3. **The New India Assurance Co. Ltd.**  
New India Assurance Building,  
87, M.G. Road, Fort,  
Mumbai - 400 001
4. **United India Insurance Co. Ltd.**  
24 Whites Road,  
Chennai
5. **Central Bank of India**  
Treasury Department,  
Chandramukhi Building,  
Nariman Point, Mumbai
6. **Bank of Maharashtra**  
Apeejay House,  
Ist Floor, 130, Dr. V.B.Gandhi Marg,  
Fort, Mumbai

For Jindal Stainless Limited

**(Raajesh Kumar Gupta)**  
Company Secretary

**Jindal Stainless Limited**

CIN: L26922HR1980PLC010901

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May 28, 2016

BSE Ltd.  
Corporate Relationship Department,  
1st Floor, New Trading Ring,  
Rotunda Building, P J Towers,  
Dalal Street, Fort, Mumbai – 400 001  
# 022 - 2272 3121, 2037, 2041,  
3719, 2039, 2272 2061  
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  
# 022 -2659 8237, 8238, 8347, 8348  
cm1ist@nse.co.in  
**Security Code No. : JSL**

Dear Sirs/Madam,

**Sub.: Intimation pursuant to Regulation 57(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 57(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), we wish to inform you that all documents and intimations required to be submitted to debenture trustee have been provided to them in accordance with the terms of the Trust Deed and SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

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

Thanking you.

Yours faithfully,

For **Jindal Stainless Limited**

  
(Raajesh Kumar Gupta)  
Company Secretary

**Jindal Stainless Limited**

CIN: L26922HR1980PLC010901

Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi - 110066 India

Registered Office: O. P. Jindal Marg, Hisar - 125005 (Haryana) India

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