

Highlights of Audited financial and operational performance (stand alone) for the 4th Quarter ended 31st March 2012 and for Year the ended 31st March 2012

May 30, 2012

Particulars	Q4	Q4	FY 2011-12	FY 2010-11
	FY-11-12	FY10-11		
	(Audited)	(Unaudited)	(Audited)	(Audited)
	Rs/ Mio	Rs/ Mio	Rs/ Mio	Rs/ Mio
Quarter ended as at	Mar 31, 2012	Mar 31, 2011	Mar 31, 2012	Mar 31, 2011
27.00	15.100		-1.00-	44.000
Net Turnover	15,180	11,554	51,907	41,880
Other Operating Income	17	77	72	60
Other Income (*)	665	70	933	624
Total Expenditure:				
(Increase)/Decrease in Stock in trade and WIP	713	541	(4,688)	(136)
Consumption of Raw Material and	9,380	6,697	39,225	25,004
Purchase of traded goods				
Total Raw Material Cost	10,093	7,238	34,537	24,868
Staff Cost	672	640	2,375	2,050
Other Expenditure	2,986	1,996	8,727	6,713
EBITDA	2111	1,827	7,273	8,932
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Financial Charges	300	349	1,139	1,510
Depreciation	423	354	1,496	1,367
Exceptional Items - Significant	600		1,408	
changes in Rupee against USD (Net)				
PBT	788	1,124	3,230	6,055
Provision for Tax	277	322	988	1,414
PAT	511	802	2242	4,641
Blended EBITDA- Rs/ MT	9,183	8,934	8,975	12,321
RATIOS				
EBITDA to Net Sales	13.91%	15.81%	14.01%	21.32%
RM to Net Sales	66.49%	62.64%	66.54%	59.38%
Finance cost to Net Sales	1.97%	3.02%	2.19%	3.60%
PBT to Net Sales	5.19%	9.73%	6.22%	14.46%
PAT to Net Sales	3.37%	6.94%	4.32%	11.08%
EPS- Fully Diluted (FV- Rs2/-)	1.85	2.91	8.12	16.57
EPS- Basic (FV- Rs2/-)	1.85	2.76	8.12	16.00

Notes:

- a) Blended EBITDA, for the 4th quarter ended 31th March 2012 is app. Rs 9.283 PMT of total pipes sold whereas the EBITDA for 3rd quarter ended December 31, 2011 was app. Rs 8,934 PMT of pipes sold.
- b) The results for the year ended 31st March 2012 are regrouped/ rearranged wherever required.
- c) Other Income has been shown separately for classification purposes but majority of the items are in the nature of operations and hence added to EBITDA.



OPERATIONAL & FINANCIAL HIGHLIGHTS

The sales break up for the year 2011-12 is given hereunder:

Products	Quantity Sold (MT)- app.	Value (Rs/ Mio)
Indian Operations		, ,
- Large Dia Pipes		
- L Saw	3,00,000	2,147
- H Saw	1,40,000	702
- Ductile Iron Pipes + Pig Iron	2,27,000	1,098
- Seamless Tubes	1,44,000	1,251
Total	8,11,000	5,198

Geographical Break up

Sale in India
Sale outside India
53 %

The company produced app. 855000 MT pipes in FY 2011-12 as against 693000 MT in 2010-11 which is higher by app. 23%.

Operational performance

During 4th quarter ended 31st March 2012, the company sold 230,000 MT of pipes as against 155,000 MT pipes in December 2011 quarter.

Saw Pipe Segment: Sales under this segment remained volatile from quarter to quarter on account of the delivery schedules of the buyer as well as sales to new/first time customers where approvals for various stages took more than projected time. The operating profit (EBITDA) in Large Diameter pipes remained under pressure largely due to significant competition, poor demand conditions in domestic and international markets and rising transportation costs.

DI Segment: The Company continued experiencing pressure of lower realization, higher cocking coal prices and inconsistent availability of Iron Ore. Partial impact of higher coking coal impact may also be seen in Q1 of FY 12-13. The cocking coal prices have already started softening and the impact on operations would be seen from gradually.

Seamless Segment: This segment remained stable and we expect the improvement in production from FY 12-13. Drill pipe unit has already received API approval and we are now looking at securing orders for the same.

Order Book Position

• The current order book is app. 750 million, the break up is as under:

Large Diameter Pipes - US\$ 560 Mio
 Ductile Iron Pipes - US\$ 150 Mio
 Seamless Pipes - US\$ 40 Mio

• The above orders are slated to be executed by end of Dec 2012. The company has participated in various bids and likely to get orders in phases. The current order book includes export orders of app. 65%. The major exports orders are from Middle East, Gulf region and South East Asia, China and Far East.



Financing and Liquidity

- a) As at April 30, 2012, net debt in the Company (standalone) was app. Rs 23,600 mio (app. USD 430 mio.) including ECB/ long term loans and fund based working capital and other unsecured loans. The loan includes app. Rs 800 Mio (app. USD 145 Mio) on account of buyers' credit.
- b) To meet the funds requirements for capital expenditures etc, the Company may raise long term funds.

Status of Demerger of the Investment Undertaking of the Company

Consequent upon the approval of Scheme of Arrangement and Demerger (Scheme) under sections 391-394 of the Companies Act, 1956 between the Company and Hexa Tradex Ltd. (HTL) by Hon'ble High Court of Allahabad which has become effective from 5th November, 2011, the Investment Undertaking of the Company stood transferred and vested in HTL with effect from the appointed date w.e.f. 1st January, 2011. On 23rd November, 2011 (Record Date), the equity shares by Hexa Tradex Limited were allotted and issued to the account of the eligible shareholders of Jindal Saw Limited.

Shares of Hexa Tradex Limited have been listed at NSE and BSE on April 20, 2012.

STATUS OF NEW PROJECTS/ CAPITAL EXPENDITURES

Following major initiatives are under implementation:

- a) Company is setting up a Ductile Iron Plant (small dia DI pipe plant) with capacity of 200,000 MTPA including additional waste heat recovery based power project and coke oven plant etc. The project, with a capital outlay of app. Rs 4000 million, is expected to commence operations around Sep/Oct 2012.
- b) Greenfield Ductile Iron pipe facility in United Arab Emirates is being set up through a joint venture company with majority stake with Jindal Saw Limited. The plant shall have a capacity of 300,000 MTPA and the operations will commence in two phases. Trials for first phase will commence shortly.
- c) Iron Ore Mines: Commencement of trial runs at Beneficiation plant got delayed due to various reasons including power line from grid. We expect power to be available by end of June 12 and trial on one of the beneficiation line to commence by end June/early July. The Company is putting its best efforts to expedite the process. The pallet plant is expected to commence trials in first quarter of FY 2013-14.
- d) Drill pipe at USA: The plant has already commenced trial runs and the necessary approvals are received. We are doing marketing to secure orders. Few small orders have been secured.

Jindal ITF Limited

Through its wholly owned subsidiary, Jindal ITF Ltd. is engaged in the business of providing urban services in the area of water management and also the integrated MSW management.

In Urban infrastructure, the company has successfully commissioned the country's largest waste to energy facility in Delhi which has been synchronized with the grid. It has also bagged integrated projects in three more cities which have commenced operations.

In the Jindal Rail, The Company has successfully commenced the production and is currently executing an order of 250 stainless steel wagons from Indian Railways.





The Company has already started implementing the coal handing project as awarded by NTPC. The commercial operations in the project shall commence by end of 2012.

We expect that these businesses should have a lot of potential and with the first mover advantage should be able to contribute significantly to Jindal Saw's revenues and profits.

OUTLOOK

The Company's product portfolio includes LSAW and HSAW pipes, Seamless tubes and pipes and DI pipes of various grades and dimensions. Even though there is gradual improvement in demand and the trend in medium to long term looks better but the current demand scenario is still weak. Due to mismatch in demand and supply, there are pressures on realizations and profitability.

The price volatility and availability of major raw materials, higher petroleum prices, sharp fluctuations of currencies more particularly significant weakness in Indian Rupee against US Dollar, increasing financing costs etc. are likely to remain major issues in short to medium term. In additional to this, the global economic turmoil is likely to affect the sector and thus we anticipate that this trend of weakness may continue for some more time.

We expect that the Company will start getting the benefits of the investments made/ to be made in various projects including Iron Ore which would add to the turnover and profitability of the company in the time to come.

Forward Looking Statements

This document contains statements that constitute "forward looking statements" including, without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance. While these forward looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that we have indicated could adversely affect our business and financial performance. Jindal Saw undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.