

Limited Review Report on Quarterly Standalone Financial Results of Jindal Steel & Power Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To The Board of Directors of
JINDAL STEEL & POWER LIMITED**

1. We have reviewed the accompanying statement of unaudited quarterly standalone financial results of JINDAL STEEL & POWER LIMITED ('the Company') for the quarter ended 30th June 2017 ('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 8th August 2017. Our responsibility is to issue a report on the Statement based on our review.

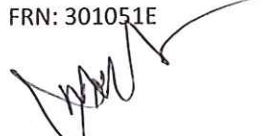
2. We conducted our review in accordance with the Standard on Review Engagement (SRE 2410) "Review of Interim financial information performed by the Independent Auditor of the Entity", issued by the Institute of The Chartered Accountants of India. This standard requires that we plan and perform the review 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. Basis of Qualified Conclusion:

We draw attention regarding impact on the net carrying value of fixed assets/investment made in mining assets not been considered for the reason stated in the Note No. 5 to the accompanying standalone unaudited financial results and the management's view about additional levy paid of amounting to Rs. 1274.46 Crore (being differential amount between Gross and Net) as stated in the Note No. 4 to the accompanying standalone unaudited financial results, which shown as good and recoverable. These matters were also qualified by the auditors in the limited review / audit reports on the financial results for the quarter ended 30th June 2016, quarter ended 31st March 2017 and in audit report on the standalone financial statement for the year ended 31st March 2017.

4. Based on our review conducted as above, *except for the effects/ possible effects of our observation stated in para 3 above*, 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: 8th August 2017



**Limited Review Report on Quarterly Consolidated Financial Results of Jindal Steel & Power Limited
pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,
2015**

To
The Board of Directors of Jindal Steel & Power Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results ("the Statement") of Jindal Steel & Power Limited ("the Company"), its subsidiaries (the Company and its subsidiaries together referred as 'Group'), its associates and its joint ventures for the quarter ended 30th June 2017, attached herewith, 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 in their meeting held on 8th August 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 Engagements (SRE 2410), 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of 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.
 - a) We did not review the financial results of 1 subsidiary included in the consolidated quarterly financial results, whose financial results reflect total revenue of Rs 1149.09 Crore, for the quarter ended 30th June 2017, total loss after tax of Rs 32.25 Crore for the quarter ended 30th June 2017 and total comprehensive loss of Rs 32.25 Crore for the quarter ended 30th June 2017, as considered in the consolidated financial results. These financial results have been reviewed by other auditor whose report have been furnished to us by the Management and our report on the consolidated results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor.
 - b) We have relied on the management certified financial statements (un-reviewed) of 90 subsidiaries (including 2 numbers JVs considered for consolidation as per Ind AS 110), whose financial results reflect total revenue of Rs 1279.16 Crore for the quarter ended 30th June 2017, total loss after tax of Rs 156.51 Crore for the quarter ended 30th June 2017 and total comprehensive loss of Rs 156.50 Crore for the quarter ended 30th June 2017, as considered in the consolidated financial results. The consolidated financial results also include the Company's share of net profit of Rs. NIL for the quarter ended 30th June 2017, as considered in the consolidated financial results, in respect of 2 associates and 1 joint venture. These Financial results / Financial information have been furnished to us by the management un-audited / not been reviewed and our opinion on the consolidated results, in so far as it relates to the amounts included and disclosure included in respect of these subsidiaries / JVs / Associates is based solely on such management certified financial results / financial information.

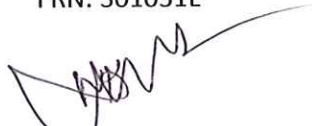


4. Basis for Qualified Conclusion:

We draw attention regarding impact on the net carrying value of fixed assets/investment made in mining assets not been considered for the reason stated in the Note No. 5 to the accompanying consolidated un-audited financial results and the management's view about additional levy paid of amounting to 1,355.79 Crore (being differential between Gross and Net) as stated in the Note No. 4 to the accompanying consolidated un-audited financial results, which shown as good and recoverable. These matters were also qualified by the auditors in the limited review / audit reports on the financial results for the quarter ended 30th June 2016, quarter ended 31st March 2017 and in audit report on the Consolidated Ind AS financial statement for the year ended 31st March 2017.

5. Based on our review conducted as above and based on the consideration of reports of the other auditors referred to in above paragraph 3(a), *except for the effects / possible effects of our observation stated in para 4 above*, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in all material respects in accordance with the applicable Accounting Standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder 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 SEBI Circular dated 5th July 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: 8th August 2017

(₹ crore except per share data)

STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED ON 30TH JUNE, 2017

PARTICULARS	Standalone Financial Results				Consolidated Financial Results			
	Quarter ended on 30th June, 2017	Quarter ended on 31st March, 2017	Quarter ended on 30th June, 2016	Financial Year ended on 31st March, 2017	Quarter ended on 30th June, 2017	Quarter ended on 31st March, 2017	Quarter ended on 30th June, 2016	Financial Year ended on 31st March, 2017
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
1 Income								
(a) Revenue from Operations								
i) Income from Operations	4,064.44	4,608.01	3,499.79	15,665.46	6,332.85	6,751.95	5,015.02	22,659.86
ii) Other operating income	34.79	132.98	98.70	429.22	61.45	199.71	150.48	641.37
Less: Captive Sales for own projects	(267.69)	(195.58)	(36.86)	(601.07)	(267.69)	(195.59)	(40.76)	(604.99)
Total Revenue from Operations	3,831.54	4,545.41	3,561.63	15,493.61	6,126.61	6,756.07	5,124.74	22,696.24
(b) Other Income	-	8.88	-	8.88	0.00	9.00	-	9.99
Total Income	3,831.54	4,554.29	3,561.63	15,502.49	6,126.61	6,765.07	5,124.74	22,706.23
2 Expenses								
(a) Cost of materials consumed	1,448.93	1,530.53	1,060.54	5,026.65	1,933.52	2,084.01	1,385.15	6,535.46
(b) Purchase of stock-in-trade	70.77	36.88	75.09	132.04	130.50	109.55	75.13	265.39
(c) Change in inventories of finished goods, Work-in-progress and stock-in-trade	(161.33)	165.82	(47.07)	332.30	(229.09)	181.16	(90.19)	282.62
(d) Employee benefits expenses	133.85	114.89	134.68	531.60	232.04	225.63	226.90	913.55
(e) Finance Cost	532.30	528.93	601.01	2,323.98	900.58	880.97	852.90	3,440.74
(f) Depreciation and amortisation expenses	480.63	488.68	489.10	2,043.65	962.22	1,005.88	917.10	3,949.02
(g) Excise Duty	457.87	465.42	438.13	1,645.51	457.89	465.58	438.14	1,645.73
(h) Other expenses	1,399.62	1,499.90	1,277.81	5,524.81	2,516.74	2,316.91	2,115.15	8,949.30
(i) Cost of Captive Sales	(267.69)	(195.58)	(36.86)	(601.07)	(267.69)	(195.59)	(40.76)	(604.99)
Total expenses	4,094.95	4,635.47	3,992.43	16,959.47	6,636.71	7,074.10	5,879.52	25,376.82
3 Profit / (Loss) before exceptional items and tax	(263.41)	(81.18)	(430.80)	(1,456.98)	(510.10)	(309.03)	(754.78)	(2,670.59)
4 Exceptional Items					-	(253.41)	625.72	372.31
5 Profit / (Loss) before tax	(263.41)	(81.18)	(430.80)	(1,456.98)	(510.10)	(55.62)	(1,380.50)	(3,042.90)
6 Tax expense:								
Current tax					0.82	0.72		0.72
Deferred tax	(85.68)	34.91	(154.15)	(470.53)	(89.49)	42.03	(140.97)	(503.40)
7 Net Profit / (Loss) after tax	(177.73)	(116.09)	(276.65)	(986.45)	(421.43)	(98.37)	(1,239.53)	(2,540.22)
8 Share of Profit/(Loss) of associates (Net of tax)					0.97	(1.64)	1.42	2.70
9 Total Profit/(Loss)	(177.73)	(116.09)	(276.65)	(986.45)	(420.46)	(100.01)	(1,238.11)	(2,537.52)
10 Other Comprehensive Income (OCI)								
i) Items that will not be reclassified to profit or loss	1.03	4.12	-	4.12	1.04	4.01	-	4.01
Income tax relating to items that will not be reclassified to profit or loss	0.36	1.43	-	1.43	0.36	1.39	-	1.39
ii) Items that will be reclassified to profit or loss					22.19	88.34	-	(127.52)
11 Total Comprehensive Income	(177.06)	(113.40)	(276.65)	(983.76)	(397.59)	(9.05)	(1,238.11)	(2,662.42)
12 Net profit attributable to:								
a) Owners of the equity					(387.09)	(49.51)	(1,082.15)	(2,281.28)
b) Non-Controlling Interest					(33.37)	(50.50)	(155.96)	(256.24)
13 Other Comprehensive Income attributable to:								
a) Owners of the equity					22.87	92.07	-	(127.60)
b) Non-Controlling Interest					-	(1.11)	-	2.70
14 Total Comprehensive Income attributable to:								
a) Owners of the equity					(364.22)	42.56	(1,082.15)	(2,408.87)
b) Non-Controlling Interest					(33.37)	(51.61)	(155.96)	(253.55)
15 Earnings before Interest, Taxes and Depreciation (EBITDA)	749.52	927.55	659.31	2,901.77	1,352.70	1,568.82	1,015.22	4,709.18
16 Earnings before Interest, Taxes and Depreciation (EBITDA) (%)	20%	20%	19%	19%	22%	23%	20%	21%
17 Paid up Equity Share Capital (Face value of ₹ 1 per share)	91.50	91.50	91.49	91.50	91.50	91.50	91.49	91.50
18 Other Equity				21,674.70				29,959.03
19 Earnings Per Share (EPS) (for the Quarter not annualised)								
(a) Basic	(1.94)	(1.27)	(3.02)	(10.78)	(4.23)	(1.09)	(11.83)	(27.73)
(b) Diluted	(1.94)	(1.27)	(3.02)	(10.78)	(4.23)	(1.09)	(11.83)	(27.73)



Reporting of Segment wise Revenue, Results, Assets & Liabilities

PARTICULARS	Consolidated Financial Results			
	Quarter ended on 30th June, 2017	Quarter ended on 31st March, 2017	Quarter ended on 30th June, 2016	Financial Year ended on 31st March, 2017
1 Segment Revenue				
(a) Iron & Steel	4,713.39	5,261.40	3,753.74	17,925.60
(b) Power	1,821.84	1,564.58	1,889.25	6,378.44
(c) Others	252.83	279.08	60.89	890.67
Total	6,788.06	7,105.06	5,703.88	25,194.71
Less: Inter-Segment Revenue	661.45	348.99	579.14	2,498.47
Net Sales/ Income from Operations	6,126.61	6,756.07	5,124.74	22,696.24
2 Segment Results (Profit(+)/Loss(-) before Tax and Interest from each Segment)				
(a) Iron & Steel	308.46	397.93	437.58	1,124.48
(b) Power	329.19	100.93	(5.35)	299.89
(c) Others	(137.72)	205.87	(158.78)	(59.83)
Total	499.93	704.73	273.45	1,364.54
Less :				
i. Finance costs (Net)	900.58	880.97	852.90	3,440.74
ii. Other un-allocable expenditure (net of un-allocable income)	109.45	132.79	175.33	594.39
iii. Exceptional Items	-	(253.41)	625.72	372.31
Total Profit Before Tax	(510.10)	(55.62)	(1,380.50)	(3,042.90)
3 Segment Assets				
(a) Iron & Steel	45,393.71	44,549.68	46,716.17	44,549.68
(b) Power	23,979.38	24,059.30	30,067.77	24,059.30
(c) Others	1,944.25	2,048.06	2,437.79	2,048.06
(d) Unallocated	20,194.65	19,940.89	15,620.63	19,940.89
Total Assets	91,511.99	90,597.93	94,842.36	90,597.93
4 Segment Liabilities				
(a) Iron & Steel	4,850.87	4,117.19	3,577.82	4,117.19
(b) Power	1,022.37	851.70	1,077.87	851.70
(c) Others	125.56	131.94	141.03	131.94
(d) Unallocated	55,642.65	55,446.57	57,625.15	55,446.57
Total Liabilities	61,641.45	60,547.40	62,421.87	60,547.40

NOTES

- The unaudited financial results for the quarter ended 30th June, 2017 have been reviewed by the Company's statutory auditors. These have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meetings held on 8th August, 2017.
- The Board of Directors of the Company had approved sale of certain captive power plants (CPP) to Jindal Power Limited (JPL) a subsidiary company ; which is subject to necessary approvals to be arranged by the Company. The Company has received advance against above of ₹ 2,854 crore.
- The Board of Directors of the Company had approved the agreement for divestment of 1000 MW Power unit of Jindal Power Limited, a subsidiary Company, into a separate purpose vehicle (SPV), for the purpose of transferring the same to JSW Energy Limited ; which is subject to customary regulatory approvals and certain other conditions including achievement of PPAs before the Closing Date 30th June, 2018. The Company has received advance against above of ₹ 384.35 crore.
- The Hon'ble Supreme Court of India by its Order dated 24 September 2014 cancelled number of coal blocks allocated to the Company by Ministry of Coal, Government of India and directed to pay an additional levy of ₹ 295 per MT on gross coal extracted. The Company had paid under protest such levy on coal extracted during the period from 1993 to 31 March 2015 of ₹ 2,082.23 crore (₹ 3,267.43 crore including a subsidiary). The management based on legal opinion had charged to the statement of profit and loss, as exceptional item, during the year 2014-15 ₹ 807.77 crore (₹ 1,911.64 crore including a subsidiary) computed on net extraction (run of mines less shale, rejects and ungraded middling) of coal by the Company. The balance amount of ₹ 1,274.46 crore (₹ 1,355.79 crore including a subsidiary) has been shown as recoverable from the Government Authority since the entire amount of additional levy has been paid under protest.
- The Company has net book value of investment made in mining assets including land, infrastructure and clearance etc. of ₹ 425 crore (₹ 608.58 crore including a subsidiary) and filed claim for the same pursuant to directive vide letter dated 26 December, 2014 given by the Ministry of Coal on such mines. Meanwhile the Ministry of Coal has made interim payment to the Company of ₹ 22.72 crore towards the same.
- Higher finance cost due to borrowing for payment of additional coal levy of ₹ 3,300 crore (approx.) and higher fuel cost, consequent to cancellation of coal blocks by Hon'ble Supreme Court of India continued to contribute to loss in financial results.
- Blast furnace and coke oven at Angul, Odisha have been commissioned on 07th August 2017. BOF and other related plant are expected to be commissioned in the current financial year.
- The figures of the quarter ended 31st March 2017 are the balancing figures between the audited figures in respect of the financial year and published year to date figures upto third quarter of the relevant financial year.
- Previous period figures have been regrouped/ reclassified/recast to make them comparable.

Date: 8th August 2017

Place: New Delhi



By Order of the Board

NAVEEN JINDAL
CHAIRMAN