



# JINDAL VIJAYANAGAR STEEL LIMITED

Registered office : Toranagallu , Sandur Taluk , Bellary Dist - 583123. Karnataka

## Audited Financial Results for the Year ended 31.03.2004

(Rs. in Crores)

Sl. No.	Particulars	Unaudited			Audited	
		Nine Months Ended	Three Months Ended		Year Ended	Previous Year Ended
		31.12.2003	31.03.2004	31.03.2003	31.03.2004	31.03.2003
1	Gross Sales/Income from Operations					
	a) Domestic Sales	2407.27	1051.73	746.58	3459.00	2417.39
	b) Export Sales	137.31	-	141.00	137.31	368.65
	Total Sales	2544.58	1051.73	887.58	3596.31	2786.04
2	Less: Excise Duty	232.22	84.31	70.03	316.53	281.28
3	Net Sales/Income from Operations (1-2)	2312.36	967.42	817.55	3279.78	2504.76
4	Other Income	12.48	12.69	4.42	25.17	7.50
5	Total Expenditure	1588.97	630.42	557.82	2219.39	1796.97
	a) (Increase) /Decrease in Stock in Trade	24.96	(12.63)	19.28	12.33	(12.17)
	b) Consumption of Raw Materials	987.60	414.10	321.08	1401.70	1095.92
	c) Power and Fuel	345.87	121.27	118.70	467.14	397.96
	d) Staff cost	28.50	10.76	11.24	39.26	34.96
	e) Other Expenditure	202.04	96.92	87.52	298.96	280.30
6	Profit before Interest, Depreciation, Exceptional items and Taxation (3+4-5)	735.87	349.69	264.15	1085.56	715.29
7	Interest	359.13	50.15	117.74	409.28	563.45
8	Depreciation	235.31	77.57	77.31	312.88	280.59
9	Miscellaneous Expenditure Written Off	47.98	16.02	17.44	64.00	64.51
10	Profit / (Loss) before Exceptional items & Taxation (6-7-8-9)	93.45	205.95	51.66	299.40	(193.26)
11	Exceptional Items	242.46	148.30	(209.57)	390.76	(209.57)
12	Profit / (Loss) before Taxation (10+11)	335.91	354.25	(157.91)	690.16	(402.83)
13	Provision for Taxation:					
	(a) Current Tax	-	(17.89)	-	(17.89)	-
	(b) Deferred Tax Asset/(Liability)	(64.05)	(79.54)	247.06	(143.59)	292.16
14	Net Profit / (Loss) (12+13)	271.86	256.82	89.15	528.68	(110.67)
15	Paid up Equity Share Capital ( face value of Rs. 10 per share)	1352.05	1352.05	1352.03	1352.05	1352.03
16	Reserves excluding revaluation reserves (As per Balance Sheet)	-	-	-	-	-
17	Earnings per share (EPS):					
	Basic	1.99	1.93	0.69	3.92	(0.86)
	Diluted	1.92	1.86	0.67	3.78	(0.86)
		<-----<not annualised>----->				
18	Aggregate of Non promoter shareholding					
	-No. of shares	492747740	492747740	464002812	492747740	464002812
	- Percentage of shareholdings	38.17	38.17	35.94	38.17	35.94

### Notes :

#### [A]

- The figures for the current year are not comparable with those of previous year, as the commercial operations of Pellet & Corex-II plants had commenced only in the later part of the corresponding previous year.
- As the Company is primarily engaged in the segment of "iron and steel products", there are no other reportable segments as per Accounting Standard (AS 17).
- (a) Pursuant to the shareholders' approval at the Court convened meeting of the Company held on 29th January, 2004 to the Scheme of Arrangement and Amalgamation (Scheme), steel business of Jindal Iron and Steel Company Limited is proposed to be merged with Company with effect from the appointed date - 1st April, 2003.
- (b) In terms of revised financial restructuring package (RRP) approved by Corporate Debt Restructuring Cell (CDR) in February 2003:
  - 10% Cumulative Preference Shares aggregating to Rs. 279.03 Crores have been issued during the year in settlement of overdues;
  - The following are under implementation through the Scheme:
    - reduction of existing equity share capital by 40% and in lieu thereof issue of 0.01% Cumulative Redeemable Preference Shares (CRPS) and the same would be reconverted into one equity share at par for every four CRPS as per the Scheme;
    - rupee debts of Rs. 456.88 Crores to be converted into equity shares at par;
    - requirement of promoters to contribute Rs. 108 Crores towards equity at par by March 1, 2007 (revised date in the Scheme being on or before April 1, 2006).
- (c) The effect of the Scheme will be given in the accounts upon receipt of necessary approvals from the High Courts and after filing of certified copy of Orders with Registrar of Companies.
- Paid-up equity share capital as on 31st March, 2004 includes Rs. 61.03 crores being the amount originally paid up on the shares forfeited.
- Information on investor complaints (numbers): Pending at beginning of the quarter: 246, Received during the quarter: 5479, Resolved/replied during the quarter: 5533, Unresolved at the end of the quarter: 192, since resolved.
- The exceptional items of Rs 390.76 crores for the current year represent waiver of dues (including waiver of principal amount of Rs. 228.46 crores) on settlement with certain lenders who are not parties to CDR system and that of previous year represent additional interest expenditure on account of revocation of earlier restructuring package
- Previous periods' figures have been regrouped/rearranged wherever necessary.
- The above results reviewed by the Audit Committee, have been taken on record at the meeting of the Board of Directors held on 29th June, 2004.

#### [B]

- (a) The following results are unaudited combined financial results (provisional) of the Company, after giving effect to the Scheme filed by the Company, for which necessary approvals from the High Courts and filing of the certified copies of the orders with the Registrar of Companies, are pending.

These financial results are presented voluntarily to disclose impact of the "Scheme" on the financials of the Company, for greater transparency and disclosure to the members of the Company on the assumption that the respective High Courts would approve the said merger.

### Unaudited Combined Financial Results (Provisional) of JVSL (giving impact of the "Scheme" ) for the year ended 31st March, 2004

(Rs. in Crores)

Sl. No.	Particulars	Unaudited For year ended 31.3.2004
1	a) Domestic Sales	3857.14
	b) Export Sales	1850.96
	Gross Turnover/Income from Operations	5,708.10
	Less : Inter Divisional transfer	1029.34
		4,678.76
2	Less: Excise Duty	324.10
3	Net Turnover /Income from Operations (1-2)	4,354.66
4	Other Income	31.78
5	Total Expenditure	2886.70
6	Profit before Interest, Depreciation, Exceptional items and Taxation (3+4-5)	1499.74
7	Interest	488.35
8	Depreciation	375.05
9	Miscellaneous Expenditure Written Off	64.00
10	Profit before Exceptional items & Taxation (6-7-8-9)	572.34
11	Exceptional Items	390.76
12	Profit before Taxation ( 10+11)	963.10
13	Provision for Taxation:	
	(a) Current Tax	35.00
	(b) Deferred Tax Asset / (Liability)	125.90
14	Net Profit (12+13)	802.20
15	Paid up Equity Share Capital ( face value of Rs. 10 per share) ( excluding Rs. 61.10 crores received for shares forfeited )	129.04
16	Reserve excluding revaluation reserves (As per Balance Sheet)	1,559.09
17	Earnings Per Share	
	- Basic (Rs.)	60.68
	- Diluted (Rs.)	55.68

#### (b) Cautionary Statement :

The figures mentioned above are provisional and not conclusive. Actual results can differ from those expressed based on the disposal of the "Scheme". Readers of the statement are cautioned that the "Scheme" is under implementation and the Company assumes no responsibility for any action taken based on the above information or to update the same as circumstances change.

- From the effective date of the "Scheme", name of the Company shall be changed to "Jindal Iron & Steel Company Limited".
- The aforesaid provisional unaudited combined financial results (provisional) were considered by the Board at the meeting of the Board of Directors held on 29th June, 2004 and subjected to Limited Review by the Statutory Auditors.

For Jindal Vijayanagar Steel Ltd.

Place : Mumbai

Date : 29<sup>th</sup> June, 2004

Dr. B. N. SINGH  
Jt. Managing Director & CEO