

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2008

(Rs. in lacs, except per share data)

| Particulars | Quarter ended 31st December | | Nine months ended 31st December | | Year ended 31st March |
|--|--------------------------------|----------------|------------------------------------|----------------|--------------------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| (1) Income from Operations: | | | | | |
| Gross Sales - Domestic | 79,774 | 109,942 | 296,523 | 278,435 | 395,494 |
| - Export | 13,021 | 39,608 | 87,053 | 129,220 | 175,230 |
| Total | 92,795 | 149,550 | 383,576 | 407,655 | 570,724 |
| Less: Excise Duty on sales | 8,646 | 14,721 | 34,877 | 38,916 | 53,385 |
| (a) Net Sales | 84,149 | 134,829 | 348,699 | 368,739 | 517,339 |
| (b) Other Operating Income | 254 | 1,651 | 739 | 2,059 | 2,409 |
| Total Income (a+b) | 84,403 | 136,480 | 349,438 | 370,798 | 519,748 |
| (2) Expenditure | | | | | |
| (a) (Increase)/Decrease in stock-in-trade and work in progress | 11,755 | (9,304) | 11,009 | (44,607) | (72,792) |
| (b) Consumption of Raw Materials | 73,668 | 98,534 | 246,231 | 279,010 | 398,781 |
| (c) Purchase of traded goods | - | 914 | 107 | 1,640 | 2,041 |
| (d) Stores & Spares | 5,518 | 4,528 | 14,555 | 13,461 | 20,487 |
| (e) Power & Fuel | 10,060 | 14,208 | 28,391 | 41,151 | 56,178 |
| (f) Employees cost | 2,992 | 2,629 | 8,594 | 7,464 | 10,362 |
| (g) Depreciation / Amortisation | 7,496 | 5,953 | 21,092 | 18,245 | 25,238 |
| (h) Other expenditure | 5,535 | 7,284 | 17,571 | 22,670 | 29,710 |
| Total Expenditure (a) to (h) | 117,024 | 124,746 | 347,550 | 339,034 | 470,005 |
| (3) Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items | (32,621) | 11,734 | 1,888 | 31,764 | 49,743 |
| (4) Other Income | 529 | 122 | 1,235 | 403 | 503 |
| (5) Profit/(Loss) before Interest & Exceptional Items | (32,092) | 11,856 | 3,123 | 32,167 | 50,246 |
| (6) Interest (net) | 8,679 | 4,806 | 21,536 | 13,279 | 17,079 |
| (7) Profit/(Loss) before Tax & Exceptional Items | (40,771) | 7,050 | (18,413) | 18,888 | 33,167 |
| (8) Exceptional items - Gain/(Loss) | (14,434) | 753 | (42,366) | 8,172 | 7,499 |
| (9) Profit/(Loss) from Ordinary Activities before tax | (55,205) | 7,803 | (60,779) | 27,060 | 40,666 |
| (10) Tax Expense: | | | | | |
| Provision for Current Tax | - | 884 | - | 3,066 | 4,278 |
| Provision for Fringe Benefit Tax | 35 | 28 | 105 | 83 | 111 |
| Provision for Deferred Tax | (17,402) | 2,715 | (19,025) | 9,476 | 9,613 |
| MAT Credit (Entitlement) / Reversal | - | (884) | - | (3,066) | (1,066) |
| (11) Net profit/(loss) from Ordinary Activities after tax | (37,838) | 5,060 | (41,859) | 17,501 | 27,730 |
| (12) Extraordinary items | - | - | - | - | 3,613 |
| (13) Net profit/(loss) for the period | (37,838) | 5,060 | (41,859) | 17,501 | 24,117 |
| (14) Paid-up Equity Share Capital (face value of Rs. 2/- each) | 3,243 | 2,949 | 3,243 | 2,949 | 3,092 |
| (15) Reserves excluding revaluation reserve as per balance sheet of previous accounting year | | | | | 175,714 |
| (16) Earnings Per Share (EPS) | | | | | |
| Before Extraordinary items: | | | | | |
| - Basic (Rs.) | (23.43) | 3.56 | (25.92) | 12.31 | 19.21 |
| - Diluted (Rs.) | (23.43) | 2.79 | (25.92) | 10.20 | 17.24 |
| After Extraordinary items: | | | | | |
| - Basic (Rs.) | (23.43) | 3.56 | (25.92) | 12.31 | 16.70 |
| - Diluted (Rs.) | (23.43) | 2.79 | (25.92) | 10.20 | 14.98 |
| EPS for the period (not annualised) | | | | | |
| (17) Public Shareholding | | | | | |
| - Number of Shares | 70,064,663 | 70,061,663 | 70,064,663 | 70,061,663 | 70,063,663 |
| - Percentage of Shareholding | 48.48 | 53.96 | 48.48 | 53.96 | 51.15 |

Notes:

- The above results have been reviewed by the Audit Committee and have been taken on record by the Board of Directors at its meeting held on 31st January, 2009. The Statutory auditors have carried out limited review of the above results.
- The operational losses are attributable to:
 - At Hisar, company had undertaken capacity expansion of Steckel Mill wherein SMS-Demag had provided equipments/technology. The plant closure for capacity expansion resulted in loss of turnover. Further, the commodity prices declined substantially during the quarter on account of global economic slowdown, like Nickel prices which were around USD 25,000/ton in the first quarter of current financial year has dropped to USD 10,000/ton by the end of third quarter.
 - At Orissa, there were operational disruptions due to cyclonic activities resulting in plant closure. Further the production remained subdued due to higher mineral Ore prices being sourced from government agencies.
 - The Steckel Mill at Hisar has now stabilised. At Orissa, production is expected to be ramped up as Ore prices have started coming down.
- Exceptional items for the quarter ended 31st December 2008 includes loss of Rs.14,384 lacs (net), on account of fluctuations on foreign currency assets/liabilities (including loans). The settlements of these losses are contingent upon market conditions on the respective maturity.
- Number of investors complaints during the quarter ended 31st December, 2008: Beginning 2, received 16, resolved 18. No investor complaint is outstanding.
- 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/period figures have been regrouped wherever necessary.