

JSW Steel Limited

Registered Office : JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai- 400051
CIN: L27102MH1994PLC152925

Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended 31 December 2021

(Rs. In Crores)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		Unaudited (refer note 1(a))	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations						
	a) Gross sales	37,462	31,909	21,487	97,803	51,603	78,059
	b) Other operating income	609	594	372	1,673	1,302	1,780
	Total Revenue from operations	38,071	32,503	21,859	99,476	52,905	79,839
II	Other Income (refer note 2)	154	946	147	1,298	431	592
III	Total Income (I+II)	38,225	33,449	22,006	100,774	53,336	80,431
IV	Expenses						
	a) Cost of materials consumed	17,793	12,329	8,652	40,953	23,443	32,623
	b) Purchases of stock-in-trade	158	74	21	287	55	233
	c) Changes in inventories of finished goods, work-in-progress and stock-in-	(1,559)	(435)	(886)	(6,268)	39	(348)
	d) Mining premium and royalties (refer note 3)	3,047	2,492	3,064	10,888	3,875	6,972
	e) Employee benefits expense	966	786	626	2,522	1,853	2,506
	f) Finance costs	1,283	936	977	3,212	2,952	3,957
	g) Depreciation and amortisation expense	1,764	1,239	1,230	4,186	3,426	4,679
	h) Power and fuel	3,311	2,361	1,481	7,682	4,140	5,985
	i) Other expenses	5,223	4,479	2,955	13,589	7,799	11,727
	Total expenses (IV)	31,986	24,261	18,120	77,051	47,582	68,334
V	Profit before share of profit/(loss) of joint ventures (net) (III-IV)	6,239	9,188	3,886	23,723	5,754	12,097
VI	Share of profit/(loss) of joint ventures (net)	22	603	(5)	948	(11)	1
VII	Profit before exceptional items and tax (V+VI)	6,261	9,791	3,881	24,671	5,743	12,098
VIII	Exceptional items	-	-	-	-	-	83
IX	Profit before tax (VII-VIII)	6,261	9,791	3,881	24,671	5,743	12,015
X	Tax expense / (credit)						
	a) Current tax	844	1,517	752	3,953	1,223	2,467
	b) Deferred tax	901	1,095	460	3,123	838	1,675
	Total tax expenses / (credit)	1,745	2,612	1,212	7,076	2,061	4,142
XI	Net Profit for the period / year (IX-X)	4,516	7,179	2,669	17,595	3,682	7,873
XII	Other comprehensive Income (OCI)						
	(A) (i) Items that will not be reclassified to profit or loss	(905)	2,190	110	2,093	263	492
	(ii) Income tax relating to items that will not be reclassified to profit or loss	103	(240)	1	(230)	(3)	(12)
	(B) (i) Items that will be reclassified to profit or loss	83	126	67	29	519	451
	(ii) Income tax relating to items that will be reclassified to profit or loss	(20)	(34)	(15)	(17)	(168)	(143)
	Total other comprehensive Income/(loss)	(739)	2,042	163	1,875	611	788
XIII	Total comprehensive income / (loss) for the period / year (Comprising Profit and Other comprehensive Income / (loss) for the period/year) (XI+XII)	3,777	9,221	2,832	19,470	4,293	8,661
XIV	Net Profit / (loss) for the period/year attributable to:						
	-Owners of the Company	4,357	7,170	2,681	17,431	3,713	7,911
	-Non-controlling interests	159	9	(12)	164	(31)	(38)
		4,516	7,179	2,669	17,595	3,682	7,873
XV	Other comprehensive Income / (loss) attributable to:						
	-Owners of the Company	(738)	2,041	156	1,883	588	770
	-Non-controlling interests	(1)	1	7	(8)	23	18
		(739)	2,042	163	1,875	611	788
XVI	Total comprehensive Income / (loss) for the period/year attributable to:						
	-Owners of the Company	3,619	9,211	2,837	19,314	4,301	8,681
	-Non-controlling interests	158	10	(5)	156	(8)	(20)
		3,777	9,221	2,832	19,470	4,293	8,661
XVII	Paid up Equity Share Capital (face value of Re. 1 per share)	240	240	241	240	241	241
XVIII	Other Equity excluding Revaluation Reserves						46,462
XIX	Earnings per equity share (not annualised)						
	Basic (Rs.)	18.14	29.79	11.15	72.47	15.45	32.91
	Diluted (Rs.)	18.02	29.67	11.09	72.11	15.36	32.73



Notes

1. a) Pursuant to the Subscription and Shareholders' Agreement between the Company, with JSW Shipping & Logistics Private Limited ('JSLPL') and Piombino Steel Limited ('PSL'), the Company had subscribed to certain Optionally Fully Convertible Debentures ('OFCDs') of PSL. As per the terms of OFCDs, including revisions thereto, the Company has the option to convert the OFCDs into equity shares at any time at the option of the Company. Accordingly, the Company has exercised the option of conversion of 410,00,00,000 OFCDs held by the Company in PSL into 410,00,00,000 equity shares of PSL of face value of Rs.10/- each on 1 October 2021. Pursuant to the conversion, the Company holds 83.28% equity in PSL and JSLPL holds 16.72% equity in PSL.

Consequent to the aforesaid conversion, PSL has become a subsidiary of the Company and the Company is controlling and managing Bhushan Power & Steel Limited through PSL w.e.f. 1 October 2021.

As per Ind AS 103 'Business Combinations', purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities which resulted in recognition of capital reserve of Rs. 920 crores. Further, Revenue from operations and Profit after tax pertaining to above entities post acquisition adjustments included in these consolidated results for the quarter ended 31 December 2021 amount to Rs 5,083 crores and Rs. 678 crores respectively and net profit attributable to Non-Controlling Interests is Rs 113 crores.

The Company's share of profits in above entities of Rs. 662 crores pertaining to the quarter ended 30 September 2021 was included in Share of profit/ (loss) of joint venture.

Accordingly, the results for the quarter ended 31 December 2021 are not strictly comparable with that of the previous quarters.

- b) On 1 October 2021, the Company acquired 80% shareholding in Neotrex Steel Private Limited ('NSPL') by way of acquisition of Equity Shares and Zero Coupon Compulsory Convertible Debentures ('CCDs') from Everbest Consultancy Services Private Limited and its wholly owned subsidiary Neotrex Steel Wires Private Limited at a value of Rs.11.45 crores and infused a further sum of Rs.32.55 crores in NSPL towards subscription money and has been allotted, Equity Shares and Zero Coupon CCDs of NSPL at par value.

Consequent to the aforesaid acquisition, NSPL is a subsidiary of the Company w.e.f. 1 October 2021.

As per Ind AS 103 'Business Combinations', purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities.

The acquisition does not have material impact on the results for the quarter and nine months 31 December 2021.

- c) On 24 November 2021, the Company through its subsidiary PSL has completed acquisition of 100% shares of West Waves Maritime and Allied Services Private Limited ('WWMASPL') from Magnificent Merchandise and Advisory Services Private Limited for a consideration of Rs. 0.31 crores.

Consequent to the aforesaid acquisition, WWMASPL is a step down subsidiary of the Company w.e.f. 24 November 2021.

As per Ind AS 103 'Business Combinations', purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities.



The acquisition does not have material impact on the results for the quarter and nine months 31 December 2021.

2. Other Income for the quarter ended 30 September 2021 and nine months ended 31 December 2021 includes Rs. 702 crores which represents fair valuation gain on re-measurement of OFCDs held by the Company in one of its joint ventures.
3. The Indian Bureau of Mines (IBM) has carried out upward revision of already published average selling price of iron ore for the month of September and October 2021. Based on a legal opinion obtained, the Company believes that the methodology used by IBM for arriving at such revised average selling price by excluding certain bona fide sale transactions of iron ore by the Company is not in accordance with the provisions of Mineral Conservation and Development Rules, 2017. Accordingly, the Company has contested the same before the Honourable High Court of Odisha and the matter is sub judice. However, the Company, as a matter of prudence, has recognised the provision towards Mining Premium and Royalties payable based on such revised average selling prices published by IBM and the impact on profit and loss for the quarter ended 31 December 2021 is Rs 1,048 crores.
4. The Group is majorly in the business of manufacturing steel products and hence has only one reportable operating segment as per IND AS 108 - Operating Segments.
5. Previous period/year figures have been regrouped /reclassified wherever necessary.
6. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 20 January 2022 and 21 January 2022 respectively. The statutory auditors have carried out a Limited Review of the results for the quarter and nine months ended 31 December 2021.

For JSW Steel Limited



Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
21 January 2022



JSW Steel Limited

Registered Office : JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai- 400051
CIN: L27102MH1994PLC152925

Statement of Unaudited Standalone Financial Results for the quarter and nine months ended 31 December 2021

(Rs. in Crores)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations						
	a) Gross sales	28,423	27,517	18,960	81,521	45,465	69,458
	b) Other operating income	427	483	279	1,288	864	1,269
	Total Revenue from operations	28,850	28,000	19,239	82,809	46,329	70,727
II	Other Income (refer note 3)	394	919	169	1,513	474	669
III	Total Income (I + II)	29,244	28,919	19,408	84,322	46,803	71,396
IV	Expenses						
	a) Cost of materials consumed	14,051	10,843	7,555	34,361	20,345	28,743
	b) Purchases of stock-in-trade	3	125	30	166	81	199
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,205)	(83)	(1,213)	(4,813)	(464)	(872)
	d) Mining premium and royalties (refer note 1)	3,047	2,492	3,064	10,888	3,875	6,972
	e) Employee benefits expense	498	454	393	1,393	1,110	1,501
	f) Finance costs	887	802	879	2,532	2,697	3,565
	g) Depreciation and amortisation expense	1,237	1,051	979	3,286	2,770	3,781
	h) Power and fuel	2,441	2,021	1,290	6,195	3,622	5,210
	i) Other expenses	3,218	3,475	2,487	9,658	6,522	9,715
	Total Expenses (IV)	24,177	21,180	15,464	63,666	40,558	58,814
V	Profit before exceptional Items and Tax (III - IV)	5,067	7,739	3,944	20,656	6,245	12,582
VI	Exceptional Items	-	-	-	-	-	386
VII	Profit before Tax (V - VI)	5,067	7,739	3,944	20,656	6,245	12,196
VIII	Tax Expense						
	a) Current tax	704	1,305	642	3,428	1,042	2,162
	b) Deferred tax	939	1,051	473	3,163	828	1,641
	Total Tax Expense	1,643	2,356	1,115	6,591	1,870	3,803
IX	Net Profit for the period/ year (VII-VIII)	3,424	5,383	2,829	14,065	4,375	8,393
X	Other Comprehensive Income (OCI)						
	A. i) Items that will not be reclassified to profit or loss	(763)	1,842	92	1,757	219	412
	ii) Income tax relating to items that will not be reclassified to profit or loss	89	(202)	2	(191)	(1)	(10)
	B. i) Items that will be reclassified to profit or loss	34	90	39	21	426	369
	ii) Income tax relating to items that will be reclassified to profit or loss	(11)	(32)	(14)	(7)	(149)	(129)
	Total Other Comprehensive Income/ (Loss)	(651)	1,698	119	1,580	495	642
XI	Total Comprehensive Income for the period/year (Comprising Profit and Other Comprehensive Income for the period/year) (IX+X)	2,773	7,081	2,948	15,645	4,870	9,035
XII	Earnings per equity share (not annualised)						
	Basic (Rs.)	14.25	22.36	11.77	58.48	18.20	34.92
	Diluted (Rs.)	14.17	22.27	11.70	58.19	18.10	34.72



Additional information pursuant to Regulation 52(4) and Regulation 54 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended as at and for the quarter/ nine months ended December 31, 2021.

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
1	Debt Equity Ratio (Total Borrowings / Total Equity)	0.88	0.97	1.20	0.88	1.20	1.10
2	Debt service coverage ratio (not annualised)	4.00	4.39	1.93	4.36	1.59	2.60
	Debt service coverage ratio (trailing twelve months) (Profit before Tax, Exceptional Items, Depreciation , Net Finance Charges / (Net Finance Charges + Long Term Borrowings scheduled 'principal repayments (excluding prepayments/ refinancing) 'during the period) (Net Finance Charges : Finance Costs - Interest Income - Net Gain / (Loss) on sale of current investments)	5.39	4.03	1.86	5.39	1.86	2.60
3	Interest service coverage ratio (not annualised)	12.92	14.85	7.75	14.03	4.95	6.52
	Interest service coverage ratio (trailing twelve months) (Profit before Tax, Exceptional Items, Depreciation, Net Finance Charges/ Net Finance Charges)	13.42	12.00	4.67	13.42	4.67	6.52
4	Current Ratio (Current Assets/ Current Liabilities)	1.02	1.01	0.93	1.02	0.93	0.80
5	Long term debt to working capital (Non-current borrowings + Current maturities of long term borrowings/ Current Assets - (Current liabilities - Current maturities of long term borrowings)	4.73	5.08	12.26	4.73	12.26	*
6	Bad debts to Accounts receivable ratio (Bad debts/ Trade receivables)	-	-	-	-	-	-
7	Current liability ratio (Current Liabilities/ Total Liabilities)	0.43	0.42	0.41	0.43	0.41	0.43
8	Total debts to total assets (Total borrowings/ Total Assets)	0.35	0.37	0.41	0.35	0.41	0.39
9	Debtors Turnover (no. of days) (Average Trade receivables/ Gross Sales X No. of days)	19	17	14	17	19	17
10	Inventory Turnover (no. of days) (Average inventory / (Cost of materials consumed + Purchases of stock-in- trade + Changes in inventories + Mining premium and royalties + Power and fuel + Stores & spares consumed + Repairs & Maintenance + Job work charges + Labour charges + Mining & development cost) X No. of days)	82	83	66	81	85	83
11	Operating EBITDA Margin (%) (Profit before depreciation, Interest, Tax and exceptional items less Other Income/ Revenue from operations)	23.56%	30.98%	29.28%	30.14%	24.26%	27.23%
12	Net Profit Margin (%) (Net profit for the period/year)/ Revenue from operations))	11.87%	19.23%	14.70%	16.98%	9.44%	11.87%
13	Paid up Equity Share Capital (face value of Re.1 per share)	240	240	241	240	241	241
14	Other Equity excluding Revaluation Reserves	60,323	57,757	42,494	60,323	42,494	46,675
15	Capital Redemption Reserve	774	774	774	774	774	774
16	Networth (As per Companies Act 2013)	54,336	51,130	38,253	54,336	38,253	42,285
17	Securities Premium	5,439	5,439	5,439	5,439	5,439	5,439

* Net working capital is negative as on 31 March 2021

18 **Asset Coverage Ratio (in times)**

(Asset Coverage Ratio : Specific assets given as security for NCDs/ Secured borrowings for those specific assets)

Particulars	Outstanding as on		
	31.12.2021	31.12.2021	31.03.2021
8.50% Non-Convertible Debentures of Rs 4,000 crores	4,000	1.71	1.66
10.02% Non-Convertible Debentures of Rs 1,000 crores	1,000	1.39	1.27
10.34% Non-Convertible Debentures of Rs 1,000 crores	1,000	4.38	4.54
8.90% Non-Convertible Debentures of Rs 1,000 crores	1,000	2.69	2.61
8.79% Non-Convertible Debentures of Rs 2,000 crores	2,000	2.13	2.25
8.76% Non-Convertible Debentures of Rs 1,000 crores	1,000	2.13	-
	10,000		



Notes

1. The Indian Bureau of Mines (IBM) has carried out upward revision of already published average selling price of iron ore for the month of September and October 2021. Based on a legal opinion obtained, the Company believes that the methodology used by IBM for arriving at such revised average selling price by excluding certain bona fide sale transactions of iron ore by the Company is not in accordance with the provisions of Mineral Conservation and Development Rules, 2017. Accordingly, the Company has contested the same before the Honourable High Court of Odisha and the matter is sub judice. However, the Company, as a matter of prudence, has recognised the provision towards Mining Premium and Royalties payable based on such revised average selling prices published by IBM and the impact on profit and loss for the quarter ended 31 December 2021 is Rs 1,056 crores.
2. Pursuant to the Subscription and Shareholders agreement between the Company, with JSW Shipping & Logistics Private Limited ('JSLPL') and Piombino Steel Limited ('PSL'), the Company had subscribed to certain Optionally Fully Convertible Debentures ('OFCDs') of PSL. As per the terms of OFCDs, including revisions, the Company had the option to convert the OFCDs into equity shares at any time at the option of the Company. Accordingly, the Company has exercised the option of conversion of 410,00,00,000 OFCDs held by the Company in PSL into 410,00,00,000 equity shares of PSL of face value of Rs. 10/- each on 1 October 2021. Pursuant to the conversion, the Company holds 83.28% equity in PSL and JSLPL holds 16.72% equity in PSL.

Consequent to the aforesaid conversion, PSL has become a Subsidiary of the Company and the Company is controlling and managing Bhushan Power & Steel Limited ('BPSL') through PSL w.e.f. 1 October 2021.

3. Other Income for the quarter ended 30 September 2021 and nine months ended 31 December 2021 includes Rs. 702 crores which represents fair valuation gain on re-measurement of OFCDs held by the Company in one of its joint ventures.

Further, during the current quarter, the Company has recognized interest income on loans given to certain overseas subsidiaries of Rs. 154 crores relating to earlier quarters which are now determined to be recoverable.

4. On 1 October 2021, the Company acquired 80% shareholding in Neotrex Steel Private Limited ('NSPL') by way of acquisition of equity shares and Zero Coupon Compulsory Convertible Debentures ('CCDs') from Everbest Consultancy Services Private Limited and its wholly owned subsidiary Neotrex Steel Wires Private Limited at a value of Rs. 11.45 crores and infused a further sum of Rs. 32.55 crores in NSPL towards subscription money and has been allotted, Equity Shares and Zero Coupon CCDs of NSPL at par value.

Consequent to the aforesaid acquisition, NSPL is a subsidiary of the Company w.e.f. 1 October 2021.

5. The Company is in the business of manufacturing steel products and hence has only one reportable operating segment as per Ind AS 108 - Operating Segments.
6. Previous period/ year figures have been regrouped/ reclassified wherever necessary.



7. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 20 January 2022 and 21 January 2022 respectively. The statutory auditors have carried out a Limited Review of the results for the quarter and nine months ended 31 December 2021.

For JSW Steel Limited



Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
21 January 2022

