



JSWSL: SEC: MUM: SE: 2020-21
July 24, 2020

To,

1. National Stock Exchange of India Ltd. Exchange Plaza Plot No. C/1, G Block Bandra - Kurla Complex Bandra (E), Mumbai - 400 051 Ref: NSE Symbol - JSWSTEEL Kind Attn.: Mr. Hari K, President (Listing)	2. Bombay Stock Exchange Limited Corporate Relationship Dept. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001. Ref: Company Code No.500228. Kind Attn.: Mr. S. Subramanian-DCS-CRD
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Sub: Un-audited Standalone & Consolidated financial Results for the Quarter ended 30th June 2020

Dear Sirs,

Pursuant to Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Un-audited Standalone & Consolidated Financial Results of the Company for the quarter ended 30th June 2020 were approved by the Board of Directors in its meeting held today. A copy of the same along with the limited review report of the Statutory Auditor thereon is enclosed.

A copy of the press release issued in this connection is also enclosed.

This is for the information of your members and all concerned.

Thanking you,

Yours faithfully,
For **JSW STEEL LIMITED**

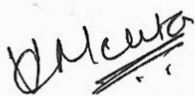

Lancy Varghese
Company Secretary

cc:

1. Central Depository Services (India) Ltd. Phiroze Jeejeebhoy Tower, Dalal Street, 28th Floor, Mumbai.- 400 023. Fax No.: 2272 3199	2. National Securities Depository Ltd. Trade World, 4th Floor, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. Fax No.: 24972993/24976351
3. Singapore Exchange Securities Trading Limited 11 North Buona Vista Drive, #06-07, The Metropolis Tower 2, Singapore 138589, Hotline: (65) 6236 8863 Fax: (65) 6535 0775	

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amendedReview Report to
The Board of Directors
JSW Steel Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of JSW Steel Limited (the "Company") for the quarter ended June 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. As described in note 5 of the Statement, effect of the merger of Dolvi Minerals and Metals Private Limited ("DMMPL"), Dolvi Coke Projects Limited ("DCPL"), JSW Steel Processing Centre Limited ("SPCL") and JSW Steel (Salav) Limited ("Salav") with the Company was accounted retrospectively for all periods presented being a common control transaction. Financial information of DMMPL, DCPL, Salav included in the accompanying Statement for the quarter ended June 30, 2019 is reviewed by the respective companies' predecessor auditors who expressed an unmodified conclusion on those financial information/statements.

For S R B C & C O L L P
Chartered Accountants
ICAI Firm registration number: 324982E/E300003per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 20105938AAAADK9745Place: Mumbai
Date: July 24, 2020


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 ended 30 June 2020

(Rs. in Crores)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Unaudited	Audited (refer note 7)	Unaudited (refer note 5)	Audited
I	Revenue from operations				
	a) Gross Sales	10,018	15,020	17,344	62,315
	b) Other operating Income	275	257	354	1,231
	c) Fees for assignment of procurement contract	-	-	-	250
	d) Government grant Income -VAT/ GST Incentive relating to earlier years	-	-	-	466
	Total Revenue from operations	10,293	15,277	17,698	64,262
II	Other Income	154	146	159	628
III	Total income (I + II)	10,447	15,423	17,857	64,890
IV	Expenses				
	a) Cost of materials consumed	5,715	7,358	9,742	33,073
	b) Purchases of stock-in-trade	6	70	249	420
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(227)	(153)	(811)	(27)
	d) Employee benefits expense	354	394	398	1,496
	e) Finance costs	933	954	1,005	4,022
	f) Depreciation and amortisation expense	867	929	826	3,522
	g) Power and fuel	1,101	1,337	1,535	5,533
	h) Other Expenses	1,915	3,051	2,753	11,250
	Total Expenses (IV)	10,664	13,940	15,697	59,289
V	Profit/ (loss) before exceptional Items and Tax (III - IV)	(217)	1,483	2,160	5,601
VI	Exceptional Items (refer Note 4)	-	1,309	-	1,309
VII	Profit/ (loss) before Tax (V - VI)	(217)	174	2,160	4,292
VIII	Tax Expense/ (Credit)				
	a) Current tax	(38)	246	457	789
	b) Deferred tax	(33)	(314)	264	(1,788)
	Total Tax Expense/ (Credit)	(71)	(68)	721	(999)
IX	Net Profit/ (loss) after Tax for the period / year (VII-VIII)	(146)	242	1,439	5,291
X	Other Comprehensive Income (OCI)				
	A .i) Items that will not be reclassified to profit or loss	42	(237)	(53)	(274)
	ii) Income tax relating to items that will not be reclassified to profit or loss	(1)	3	2	6
	B. i) Items that will be reclassified to profit or loss	65	(499)	9	(632)
	ii) Income tax relating to items that will be reclassified to profit or loss	(23)	175	(3)	221
	Total Other Comprehensive Income/(Loss)	83	(558)	(45)	(679)
XI	Total Comprehensive Income/ (loss) for the period/year (Comprising Profit/ (loss) and Other Comprehensive Income/ (loss) for the period/year) (IX+X)	(63)	(316)	1,394	4,612
XII	Paid up Equity Share Capital (face value of Re.1 per share)	240	240	240	240
XIII	Other Equity excluding Revaluation Reserves				38,061
XIV	Earnings per equity share (not annualised)				
	Basic (Rs.)	(0.61)	1.01	5.99	22.03
	Diluted (Rs.)	(0.61)	1.00	5.95	21.89

SIGNED FOR IDENTIFICATION
BY 
S R S C & CO LLP
MUMBAI

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Notes

1. 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.
2. The Company has been declared as the "Preferred Bidder" for four iron ore mines in the State of Odisha, in the Auctions held by the State Government in February 2020. The Government of Odisha has issued vesting orders in respect of these mining blocks viz: -Nuagaon, Narayanposhi, Jajang and Ganua by virtue of which all valid rights, approvals, clearances, licenses and the like vested with the previous Lessee(s) have been deemed to have been acquired by the Company. The Company has signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Government of Odisha after complying with all regulatory aspects. Acquisition cost incurred for these mines such as stamp duty, registration fees and other such costs amounting to Rs. 817 crores have been capitalized as Intangible Assets. Further, the Company has also paid upfront payment amounting to Rs. 1,290 crores in accordance with the auction conditions which would be adjusted against the premium payable by the Company based on monthly production. The Company has also started mining operations at all the above said blocks from 1 July 2020.
3. The COVID-19 outbreak and measures to curtail it has caused significant disturbances and slowdown of economic activity. The Company's operations were impacted in the quarter, due to scaling down / suspending production across all plants due to supply chain constraints, shortage of workforce and with a view to ensure safety across all areas of operation. Following the approvals received from the regulatory authorities towards the end of April 20, the Company has commenced operations and the average capacity utilisations in the month of May and June have reached 80%.

The Company has considered the possible impact of COVID-19 in preparation of the above results. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

4. Exceptional items for the year and quarter ended 31 March 2020 includes impairment provision of
 - (i) Rs. 852 crores relating to overseas subsidiaries towards the value of investments made and loans given and interest accrued thereon based on the overall assessment of recoverable value considering increased uncertainty in restarting the Iron ore mining operations at Chile on account of COVID 19 outbreak.
 - (ii) Rs. 377 crores on interest receivables from an overseas subsidiary in USA based on the assessment of recoverable value of the US operations. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, mining production, future margins, and the likely impact of COVID 19 on the said operations; and
 - (iii) Rs. 80 crores towards identified items of property, plant and equipment of the Company.



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5. The Mumbai Bench of the National Company Law Tribunal (NCLT), through its order dated 6 June 2019 and the Ahmedabad Bench of the NCLT, through its order dated 14 August 2019, had approved the scheme of Amalgamation of its wholly owned subsidiaries, Dolvi Minerals and Metals Private Limited, Dolvi Coke Projects Limited, JSW Steel Processing Centre Limited, and JSW Steel (Salav) Limited with the Company. Accordingly, the Company had accounted for the merger under the pooling of interest method retrospectively for all periods presented as prescribed in IND AS 103 – Business Combinations of entities under common control.
6. Previous period/year figures have been regrouped /reclassified wherever necessary.
7. The figures of the quarter ended 31 March 2020 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures up to third quarter.
8. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 23 July 2020 and 24 July 2020 respectively. The statutory auditors have carried out a Limited Review of the results for the quarter ended 30 June 2020.

For JSW Steel Limited



Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
24 July 2020



Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
JSW Steel Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of JSW Steel Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint ventures for the quarter ended June 30, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. **We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 and 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying Statement includes unaudited interim financial information/financial results and other unaudited financial information, in respect of:
 - **5 subsidiaries, whose unaudited interim financial information/financial results and other unaudited financial information include total revenues of Rs 1,500 crores, total net loss after tax of Rs 27 crores and total comprehensive loss of Rs 33 crores for the quarter ended June 30, 2020, as considered in the Statement, which have been reviewed by their respective independent auditors.**
 - **4 joint ventures, whose unaudited interim financial information/financial result and other unaudited financial information include Group's share of net loss of Rs 53 crores and Group's share of total comprehensive loss of Rs 53 crores for the quarter ended June 30, 2020, as considered in the Statement whose unaudited interim financial information/financial result and other unaudited financial information have been reviewed by their respective independent auditors.**



The independent auditor's reports on unaudited interim financial information/financial results and other unaudited financial information of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and joint ventures, is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

7. Certain of these subsidiaries are located outside India whose financial information/financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial information/financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's Management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and reviewed by us.
8. The accompanying Statement includes unaudited interim financial information/financial results and other unaudited financial information in respect of:
- 29 subsidiaries, whose unaudited interim financial information/financial results and other unaudited financial information include total revenues of Rs 154 crores, total net loss after tax of Rs 63 crores, total comprehensive loss of Rs 78 crores, for the quarter ended June 30, 2020, as considered in the Statement which have not been reviewed by their respective independent auditors.
 - 3 joint ventures, whose unaudited interim financial information/financial results and other unaudited financial information include the Group's share of net loss of Rs 0.01 crores and Group's share of total comprehensive loss of Rs 0.01 crores for the quarter ended June 30, 2020, as considered in the Statement whose unaudited interim financial information/financial results and other unaudited financial information have not been reviewed by their respective independent auditors.

These unaudited interim financial information/financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries and joint ventures, is based solely on such unaudited interim financial information/financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial information/financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6, 7 and 8 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial information/financial results certified by the Management.

For SRBC & COLLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 20105938AAAADL8496



Place: Mumbai
Date: July 24, 2020

Annexure I - List of entities included in Limited Review Report

Subsidiaries:	Joint ventures:
1. JSW Steel (Netherlands) B.V.	1. Vijayanagar Minerals Private Limited
2. Periana Holdings, LLC	2. Rohne Coal Company Private Limited
3. JSW Steel (USA), Inc	3. Gourangdih Coal Limited
4. Planck Holdings, LLC	4. JSW MI Steel Service Center Limited
5. Prime Coal, LLC	5. JSW Severfield Structures Limited
6. Purest Energy, LLC	6. JSW Structural Metal Decking Limited
7. Caretta Minerals, LLC	7. Creixent Special Steels Limited (Consolidated)
8. Lower Hutchinson Minerals, LLC	
9. Periana Handling, LLC	
10. Rolling S Augering, LLC	
11. Hutchinson Minerals, LLC	
12. Keenan Minerals, LLC	
13. Meadow Creek Minerals, LLC	
14. Peace Leasing, LLC	
15. R.C. Minerals, LLC	
16. JSW Panama Holdings Corporation	
17. Inversiones Eurosh Limitada	
18. Santa Fe Mining	
19. Santa Fe Puerto S.A.	
20. JSW Natural Resources Limited	
21. JSW Natural Resources Mozambique Limitada	
22. JSW ADMS Carvao Limitada	
23. Acero Junction Holdings, Inc	
24. JSW Steel (USA) Ohio, Inc.	
25. JSW Steel Italy S.r.L	
26. JSW Steel Italy Piombino S.p.A (formerly known as Acciaierie e Ferriere di Piombino S.p.A.)	
27. Piombino Logistics S.p.A. - A JSW Enterprise (formerly known as Piombino Logistics S.p.A.)	
28. GSI Lucchini S.p.A.	
29. Nippon Ispat Singapore (PTE) Limited	
30. Arima Holdings Limited	
31. Erebus Limited	
32. Lakeland Securities Limited	
33. JSW Steel (UK) Limited	
34. Amba River Coke Limited	
35. JSW Steel Coated Products Limited	
36. Hasaud Steel Limited	
37. JSW Jharkhand Steel Limited	
38. JSW Bengal Steel Limited	
39. JSW Natural Resources India Limited	
40. JSW Energy (Bengal) Limited	
41. JSW Natural Resources Bengal Limited	
42. Peddar Realty Private Limited	
43. JSW Realty & Infrastructure Private Limited	
44. JSW Industrial Gases Private Limited	
45. JSW Utkal Steel Limited	
46. JSW Retail Limited	
47. Piombino Steel Limited	
48. Makler Private Limited	
49. Vardhman Industries Limited	
50. JSW Vallabh Tin Plate Private Limited	
51. JSW Vijayanagar Metalics Limited	



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 ended 30 June 2020

(Rs. In Crores)

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Unaudited	Audited (refer note 6)	Unaudited	Audited
I	Revenue from operations				
	a) Gross sales	11,454	17,556	19,407	71,116
	b) Other operating income	328	331	405	1,494
	c) Fees for assignment of procurement contract	-	-	-	250
	d) Government grant Income -VAT/ GST incentive relating to earlier years	-	-	-	466
	Total Revenue from operations	11,782	17,887	19,812	73,326
II	Other income	132	122	141	546
III	Total Income (I+II)	11,914	18,009	19,953	73,872
IV	Expenses				
	a) Cost of materials consumed	6,471	8,810	11,390	38,865
	b) Purchases of stock-in-trade	1	89	25	135
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(148)	6	(1,053)	(270)
	d) Employee benefits expense	625	718	759	2,839
	e) Finance costs	1,016	1,036	1,042	4,265
	f) Depreciation and amortisation expense	1,047	1,108	1,026	4,246
	g) Power and fuel	1,254	1,528	1,702	6,272
	h) Other expenses	2,238	3,761	3,273	13,612
	Total expenses (IV)	12,504	17,056	18,164	69,964
V	Profit / (loss) before share of profit/(loss) of joint ventures (net) (III-IV)	(590)	953	1,789	3,908
VI	Share of profit/(loss) of joint ventures (net)	(53)	(29)	(19)	(90)
VII	Profit / (loss) before exceptional items and tax (V+VI)	(643)	924	1,770	3,818
VIII	Exceptional items (refer note 4)	-	805	-	805
IX	Profit / (loss) before tax (VII-VIII)	(643)	119	1,770	3,013
X	Tax expense / (credit)				
	a) Current tax	(33)	285	483	943
	b) Deferred tax	(28)	(354)	279	(1,849)
	Total tax expenses / (credit)	(61)	(69)	762	(906)
XI	Net Profit / (loss) for the period / year (IX-X)	(582)	188	1,008	3,919
XII	Other comprehensive Income (OCI)				
	(A) (i) Items that will not be reclassified to profit or loss	51	(284)	(61)	(327)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(2)	4	1	7
	(B) (i) Items that will be reclassified to profit or loss	11	(768)	(10)	(1,054)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(32)	188	3	253
	Total other comprehensive Income/(loss)	28	(860)	(67)	(1,121)
XIII	Total comprehensive Income / (loss) for the period / year (Comprising Profit / (loss) and Other comprehensive Income / (loss) for the period/year) (XI+XII)	(554)	(672)	941	2,798
XIV	Net Profit / (loss) for the period/year attributable to:				
	-Owners of the Company	(561)	231	1,028	4,030
	-Non-controlling interests	(21)	(43)	(20)	(111)
		(582)	188	1,008	3,919
XV	Other comprehensive Income / (loss)				
	-Owners of the Company	29	(829)	(69)	(1,076)
	-Non-controlling interests	(1)	(31)	2	(45)
		28	(860)	(67)	(1,121)
XVI	Total comprehensive income / (loss) for the period/year attributable to:				
	-Owners of the Company	(532)	(598)	959	2,954
	-Non-controlling interests	(22)	(74)	(18)	(156)
		(554)	(672)	941	2,798
XVII	Paid up Equity Share Capital (face value of Re. 1 per share)	240	240	240	240
XVIII	Other Equity excluding Revaluation Reserves				36,298
XIX	Earnings per equity share (not annualised)				
	Basic (Rs.)	(2.34)	0.96	4.28	16.78
	Diluted (Rs.)	(2.34)	0.95	4.25	16.67

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BY 
S R B C & CO LLP
MUMBAI



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Notes

1. 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.
2. The Company has been declared as the "Preferred Bidder" for four iron ore mines in the State of Odisha, in the Auctions held by the State Government in February 2020. The Govt. of Odisha has issued vesting orders in respect of these mining blocks viz: -Nuagaon, Narayanposhi, Jajang and Ganua by virtue of which all valid rights, approvals, clearances, licenses and the like vested with the previous Lessee(s) have been deemed to have been acquired by the Company. The Company has signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Government of Odisha after complying with all regulatory aspects. Acquisition cost incurred for these mines such as stamp duty, registration fees and other such costs amounting to Rs. 817 crores have been capitalized as Intangible Assets. Further, the Company has also paid upfront payment amounting to Rs. 1,290 Cores in accordance with the auction conditions which would be adjusted against the premium payable by the Company based on monthly production. The Company has also started mining operations at all the above said blocks from 1 July 2020.
3. The COVID-19 outbreak and measures to curtail it has caused significant disturbances and slowdown of economic activity. The Group's operations were impacted in the quarter, due to scaling down / suspending production across all plants due to supply chain constraints, shortage of workforce and with a view to ensure safety across all areas of operation. Following the approvals received from the regulatory authorities towards the end of April 20, the Company has commenced operations and the average capacity utilisations in the month of May and June have reached 80%.

The Group has considered the possible impact of COVID-19 in preparation of the above results. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Group will continue to closely monitor any material changes to future economic conditions.

4. Exceptional items for the year and quarter ended 31 March 2020 includes impairment provision of:
 - (i) Rs.725 crores relating to overseas subsidiaries towards the value of Property, plant and equipment (including CWIP), Goodwill, Intangibles and other assets based on the overall assessment of recoverable value considering increased uncertainty in restarting the Iron ore mining operations at Chile on account of COVID 19 outbreak.
 - (ii) Rs.80 crores towards identified items of property, plant and equipment of the Company.
5. Previous period/year figures have been regrouped /reclassified wherever necessary.
6. The figures of the quarter ended 31 March 2020 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto third quarter of the relevant financial year.
7. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 23 July 2020 and 24 July 2020 respectively. The statutory auditors have carried out a Limited Review of the results for the quarter ended 30 June 2020.

For JSW Steel Limited



Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
24 July 2020



Financial Performance for First Quarter FY 2020-21

Mumbai, India: JSW Steel Limited (“JSW Steel” or the “Company”) today reported its results for the First Quarter ended 30th June, 2020 (“1Q FY2021” or the “Quarter”).

Key highlights for 1Q FY2021:**Standalone Performance:**

- Crude Steel production: 2.96 million tonnes
- Saleable Steel sales: 2.80 million tonnes
- Revenue from operations: ₹10,293 crores
- Operating EBITDA: ₹1,429 crores
- Net profit/(Loss) after tax: (₹146) crores

Consolidated Performance:

- Revenue from operations: ₹11,782 crores
- Operating EBITDA: ₹1,341 crores
- Net profit/(loss) after tax: (₹582) crores
- Net Debt to Equity : 1.54x and Net Debt to EBITDA : 5.74x

The COVID-19 outbreak and measures to contain it caused an abrupt disruption and slow down of economic activity. With significant supply chain constraints, shortage of workforce and with a view to ensure safety across all areas of operations, the Company scaled down/suspended operations towards the end of March 2020. The Company diligently instituted appropriate operating protocols to comply with all safety and social distancing requirements, secured necessary approvals from local authorities, and was able to commence operations across all locations towards the end of April 2020. Since then, operations have gradually been ramped up, and for the months of May and June our facilities operated at an average capacity utilization of 80%.

The first quarter was marked by formidable challenges of disrupted supply chains, unparalleled drop in demand and activity levels in the domestic markets, uncertainty in seamless inbound and outbound logistics movement, and liquidity constraints. The Company undertook multiple initiatives to improve efficiencies by leveraging on technological and digitalisation tools, reducing fixed cost base, optimizing procurement costs, conserving liquidity, and ramping up sales and marketing efforts to find new markets and customers to remain competitive.

Operational Performance 1Q FY2021:

The details of production and standalone sales volumes for the quarter are as under:

Particulars	(Million tonnes)		
	1Q FY2021	4Q FY2020	1Q FY2020
Production: Crude Steel	2.96	3.97	4.24
Saleable Steel:			
- Rolled: Flat	1.99	2.70	2.67
- Rolled: Long	0.46	0.86	0.93
- Semis	0.35	0.13	0.15
Total Sales	2.80	3.70	3.75

Standalone Performance:

Notwithstanding a challenging operating environment, the Company reported Crude Steel Production of 2.96 Million tonnes, with average capacity utilization of ~66% for the quarter – as compared to an average utilization of 46% for the Indian steel industry.

Saleable Steel sales for the quarter was 2.80 Million tonnes. While the decline in India's crude steel production was 41% QoQ, the Company's crude steel production declined by 25% QoQ.

As the domestic demand was subdued, the Company strategically focused on the export markets to liquidate inventory and generate cash flows. The Company achieved a sales volume of 2.80 Million tons and export sales accounted for 53% of total sales volume. Domestic sales volume continued to improve in the months of May and June, signaling a gradual revival of economic activities within the country.

The Company's revenue from operations stood at ₹10,293 crores. Average realisation during the quarter was impacted by lower steel prices and adverse product and market mix. Lower costs of iron ore and other operating expenses partially offset the drag on margins caused by weaker operating leverage and lower realisations. As a result, operating EBITDA for the quarter stood at ₹1,429 crores and EBITDA margin stood at 13.9%. The company reported net loss after tax of ₹146 crores for the quarter.

The Company's net gearing (Net Debt to Equity) stood at 1.26x at the end of the quarter (as against 1.23x at the end of 4Q FY2020) and Net Debt to EBITDA stood at 4.77x (as against 3.78x at the end of 4Q FY2020).



Subsidiaries' Performance 1Q FY2021:

JSW Steel Coated Products:

During the quarter, JSW Steel Coated Products registered a production volume of 0.30 million tons and sales volume of 0.33 million tonnes. Revenue from operations and Operating EBITDA for the quarter stood at ₹2,049 crores and ₹28 crores respectively. It reported a Net loss after Tax of ₹31 crores for the quarter.

US Plate and Pipe Mill:

The US based Plate and Pipe Mill facility produced 57,035 net tonnes of Plates and 4,175 net tonnes of Pipes, reporting a capacity utilization of 23% and 3%, respectively, during the quarter. Sales volumes for the quarter stood at 53,210 net tonnes of Plates and 4,611 net tonnes of Pipes. It reported an EBITDA Loss of US\$ 11.4 million for the quarter.

JSW Steel USA Ohio Inc. (Acero):

The US based HR coil manufacturing facility produced 26,954 net tonnes of HRC during the quarter. Sales volumes for the quarter stood at 48,865 net tonnes. It reported an EBITDA loss of US \$12.54 million for the quarter. Recently, the Company has temporarily idled the operations at Ohio to undertake a furnace upgrade project which will improve reliability of equipment and lower conversion costs.

JSW Steel (Italy) S.r.l. (Aferpi):

The Italy based Rolled long products manufacturing facility produced 85,131 tonnes and Sold 91,712 tonnes during the quarter. It reported an EBITDA loss of Euro 7 million for the quarter.

Consolidated Financial Performance 1Q FY2021:

Saleable Steel sales for the quarter stood at 2.79 million tonnes. The company enhanced exports to offset the loss of volumes in domestic market, liquidate inventory and improve cash flows. Export sales stood at 1.58 million for the quarter, a record high, with Domestic sales at 1.21 million tonnes.

Revenue from operations stood at ₹11,782 crores for the quarter. Consolidated Operating EBITDA stood at ₹1,341 crores with EBITDA margin of 11.4%. The Net Loss after Tax for the quarter was ₹582 crores, after incorporating the financials of subsidiaries, joint ventures and associates.

The Company's consolidated Net gearing (Net Debt to Equity) stood at 1.54x at the end of the quarter (as against 1.48x at the end of 4Q FY2020) and Net Debt to EBITDA stood at 5.74x (as against 4.50x at the end of 4Q FY2020).

Odisha Iron Ore Mining Update

The Company was declared as the "Preferred Bidder" for four iron ore mines in the State of Odisha, in the Auctions held in February 2020, with iron ore reserves of around 1,100 Mn tons. The Government of Odisha issued vesting orders in respect of these four mining blocks viz: -Nuagaon, Narayanposhi, Jajang and Ganua, by virtue of which all valid rights, approvals, clearances, licenses and the like vested with the previous Lessee(s) have been deemed to have been acquired by the Company. The Company signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Govt. of Odisha after complying with all regulatory aspects.

The Company commenced mining operations at all the above said blocks from 1st July 2020 and despatches of iron ore have recently started.

Projects and Capex update:

Project execution at all locations is ramping up slowly as the workforce availability is gradually improving.

The expansion of crude steel capacity at Dolvi works from 5 MTPA to 10 MTPA along with the Captive Power Plant and Coke Oven Phase 2 is likely to get commissioned in the second half of FY 2021.

The 8 MTPA Pellet Plant and the Wire Rod Mill at Vijayanagar are expected to be commissioned in 2Q FY2021. The CRM1 complex capacity expansion at Vijayanagar from 0.85 MTPA to 1.80 MTPA is expected to be commissioned progressively in 2Q and 3Q of FY 2021.

The downstream modernisation cum-capacity enhancement projects at Vasind and Tarapur and the Colour coating line at Kalmeshwar are expected to be commissioned in the second half of FY 2021.

During the quarter, the company spent about ₹2,369 crores for capex, against a total planned capex spend of ₹9,000 crores for FY2021.

Outlook

The IMF expects global GDP to contract by 4.9% in CY2020, with downside risks, amidst higher-than-usual degree of uncertainty. Global growth is expected to rebound and increase to 5.4% in CY2021 on the back of swift policy measures.

The recent PMI and IP prints of the US, EU and Japan reflect improving business and consumer sentiments from the recent slump, which bodes well for a gradual economic recovery. In China, 2Q CY2020 GDP of 3.2% reflects that economic growth is gaining momentum. Recovery in investment and services during recent months has been stronger than anticipated.

The synchronised policy measures across the globe have somewhat limited the impact of the economic fall out in the near term and the Central banks are expected to maintain an accommodative stance supplemented with fiscal policies of the government, to aid gradual economic recovery. Possible re-emergence of the contagion inducing localised

lockdowns pose downside risks to the outlook, while any positive developments on vaccine or medical solution pertaining to the pandemic will pose upside risks.

In India, economic activities are picking up across the board, reflecting improved business sentiment on the back of easing of lockdown restrictions. Large pockets of activity/industries are heading towards gradual stabilization. However, localized lockdowns driven by the resurgence of COVID-19 cases remains a key risk to sustain the pace of recovery.

The rural economy is holding up well, aided by limited pandemic impact (vs urban areas), good monsoon, and a large part of stimulus measures directly focused on increasing rural income and consumption.

Lower crude oil prices, a favorable trade balance, ongoing normal monsoon and accommodative stance of the central bank are key positives for the economy. India is well placed to reap benefits from global supply chain realignments currently underway.

Workforce remobilization and constrained liquidity remain key challenges for the core sectors of the economy, even though there are signs of returning labor force driven by aspirations of higher income.

Overall, targeted access to credit and liquidity, favourable policies, and measures to support global supply chain realignments are likely to aid steady domestic economic recovery, notably from the second half of FY2021.

Indian Crude steel production declined by 41.6% YoY during the quarter and finished steel consumption was lower by 55% YoY due to a nationwide lockdown in the month of April and subsequent gradual relaxations in May. While domestic demand remained subdued during 1Q FY2021, India emerged as a major steel exporter with export volumes of 5.54 million tonnes during the quarter, implying a 3x increase over the same period last year.

About JSW Steel Ltd: JSW Steel Ltd. is the flagship company of the diversified US\$ 12 billion JSW Group which has a leading presence in sectors such as steel, energy, infrastructure, cement, sports among others. From a single manufacturing unit in the early 1980s, JSW Steel Ltd, today, is one of the leading integrated steel companies in India with an installed capacity of 18 MTPA, and has plans to scale it up in India. JSW Steel's manufacturing facility at Vijayanagar, Karnataka is the largest single location steel-producing facility in India with a capacity of 12 MTPA. The Company has been at the forefront of state-of-the-art, cutting-edge technology, research and innovation while laying the foundation for long-term growth. Strategic collaborations with global technology leaders to offer high-value special steel products for various applications across construction, infrastructure, automobile, appliances and other sectors. JSW Steel Ltd. has been widely recognised for its business and operational excellence. Key honours & awards include World Steel Association's Steel Sustainability Champion (2019), Deming Prize for Total Quality Management at Vijayanagar (2018) and Salem (2019), DJSI RobecoSAM Sustainability Industry Mover Award (2018) among others. JSW Steel is the only Indian company ranked among the top 10 steel-producers in the world by World Steel Dynamics for the last 10 consecutive years.

Forward looking and Cautionary Statements:

Certain statements in this release concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition within Steel Industry including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our internal operations, reduced demand for steel, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which – has made strategic investments, withdrawal of fiscal governmental incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Company.

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