



JSWSL: SEC: MUM: SE: 2021-22
July 23, 2021

1. National Stock Exchange of India Ltd. Exchange Plaza Plot No. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051 NSE Symbol: JSWSTEEL Kind Attn.: Mr. Hari K, President (Listing)	2. BSE Limited Corporate Relationship Dept. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001. Scip Code No.500228 Kind Attn: The General Manager (CRD).
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Dear Sir/Madam,

Sub: Un-audited Standalone & Consolidated financial Results for the Quarter ended 30th June 2021

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 2021 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,

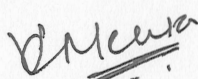
Yours faithfully,
For **JSW STEEL LIMITED**

Lancy Varghese
Company Secretary

cc. **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, 2021 (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.

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: 21105938AAAAAES8231Place: Mumbai
Date: July 23, 2021


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 2021

(Rs. in Crores)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		Unaudited	Audited (refer note 4)	Unaudited	Audited
I	Revenue from operations				
	a) Gross sales	25,581	23,993	10,018	69,458
	b) Other operating income	378	405	275	1,269
	Total Revenue from operations	25,959	24,398	10,293	70,727
II	Other Income	200	195	154	669
III	Total Income (I + II)	26,159	24,593	10,447	71,396
IV	Expenses				
	a) Cost of materials consumed	9,467	8,398	5,715	28,743
	b) Purchases of stock-in-trade	38	118	6	199
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,525)	(408)	(227)	(872)
	d) Mining premium and royalties	5,349	3,097	138	6,972
	e) Employee benefits expense	441	391	354	1,501
	f) Finance costs	843	868	933	3,565
	g) Depreciation and amortisation expense	998	1,011	867	3,781
	h) Power and fuel	1,733	1,588	1,101	5,210
	i) Other expenses	2,965	3,193	1,777	9,715
	Total Expenses (IV)	18,309	18,256	10,664	58,814
V	Profit/ (Loss) before exceptional Items and Tax (III - IV)	7,850	6,337	(217)	12,582
VI	Exceptional Items (refer note 2)	-	386	-	386
VII	Profit/ (Loss) before Tax (V - VI)	7,850	5,951	(217)	12,196
VIII	Tax Expense/ (Credit)				
	a) Current tax	1,419	1,120	(38)	2,162
	b) Deferred tax	1,173	813	(33)	1,641
	Total Tax Expense/ (Credit)	2,592	1,933	(71)	3,803
IX	Net Profit/ (Loss) for the period /year (VII-VIII)	5,258	4,018	(146)	8,393
X	Other Comprehensive Income (OCI)				
	A .i) Items that will not be reclassified to profit or loss	678	193	42	412
	ii) Income tax relating to items that will not be reclassified to profit or loss	(78)	(9)	(1)	(10)
	B. i) Items that will be reclassified to profit or loss	(103)	(57)	65	369
	ii) Income tax relating to items that will be reclassified to profit or loss	36	20	(23)	(129)
	Total Other Comprehensive Income/ (Loss)	533	147	83	642
XI	Total Comprehensive Income/ (loss) for the period/year (Comprising Profit/ (loss) and Other Comprehensive Income for the period/year) (IX+X)	5,791	4,165	(63)	9,035
XII	Paid up Equity Share Capital (face value of Re.1 per share)	241	241	240	241
XIII	Other Equity excluding Revaluation Reserves				46,675
XIV	Earnings per equity share (not annualised)				
	Basic (Rs.)	21.85	16.70	(0.61)	34.92
	Diluted (Rs.)	21.75	16.62	(0.61)	34.72

SIGNED FOR IDENTIFICATION
BY

SRBC & CO LLP
MUMBAI



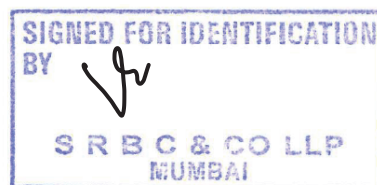
Notes

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. Exceptional items for the quarter and year ended 31 March 2021 represents impairment provision of Rs. 386 crores on value of loans given and interest receivable from overseas subsidiaries on the assessment of recoverable value of the US operations determined by independent external valuers using cash flow projections.
3. Previous period/year figures have been regrouped /reclassified wherever necessary.
4. The figures of the quarter ended 31 March 2021 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.
5. The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. On 13 November 2020 the Ministry of Labour and Employment released draft rules for the Code. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.
6. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 22 July 2021 and 23 July 2021 respectively. The statutory auditors have carried out a Limited Review of the results for the quarter ended 30 June 2021.

For JSW Steel Limited



Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
23 July 2021



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, 2021 (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 results and other unaudited financial information in respect of:
 - 7 subsidiaries, whose unaudited interim financial results and other unaudited financial information include total revenues of Rs 3,219 crores, total net profit after tax of Rs 107 crores and total comprehensive income of Rs 142 crores for the quarter ended June 30, 2021, as considered in the Statement, which have been reviewed by their respective independent auditors.
 - 5 joint ventures, whose unaudited interim financial results and other unaudited financial information include Group's share of net profit of Rs 422 crores and Group's share of total comprehensive income of Rs 422 crores for the quarter ended June 30, 2021, as considered in the Statement whose unaudited interim financial result and other unaudited financial information have been reviewed by their respective independent auditors.



The independent auditor's reports on unaudited interim 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 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 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 results and other unaudited financial information in respect of:
- 26 subsidiaries, whose unaudited interim financial results and other unaudited financial information include total revenues of Rs 18 crores, total net loss after tax of Rs 166 crores and total comprehensive loss of Rs 214 crores for the quarter ended June 30, 2021.
 - 3 joint ventures, whose unaudited interim financial results and other unaudited financial information include the Group's share of net loss of Rs 0.02 crores and Group's share of total comprehensive loss of Rs 0.02 crores for the quarter ended June 30, 2021.

The unaudited interim financial results and other unaudited financial information of these subsidiaries and joint ventures have not been reviewed by their auditors and 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 results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim 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 results certified by the Management.

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



per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 21105938AAAET1026



Place: Mumbai
Date: July 23, 2021

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	8. Piombino Steel Limited (w.e.f. March 26, 2021)
9. Periana Handling, LLC	9. Bhushan Power and Steel Limited (Subsidiary of Piombino Steel Limited) (w.e.f. March 26, 2021)
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 One Platforms Limited (formerly known JSW Retail Limited)	
47. Vardhman Industries Limited	
48. JSW Vallabh Tin Plate Private Limited	
49. JSW Vijayanagar Metallica Limited	
50. Asian Color Coated Ispat Limited	
51. JSW Retail and Distribution Limited	





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 2021

(Rs. in Crores)

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		Unaudited	Audited (refer note 5)	Unaudited	Audited
I	Revenue from operations				
	a) Gross sales	28,432	26,456	11,454	78,059
	b) Other operating income	470	478	328	1,780
	Total Revenue from operations	28,902	26,934	11,782	79,839
II	Other Income	198	161	132	592
III	Total Income (I+II)	29,100	27,095	11,914	80,431
IV	Expenses				
	a) Cost of materials consumed	10,831	9,180	6,471	32,623
	b) Purchases of stock-in-trade	55	178	1	233
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4,274)	(387)	(148)	(348)
	d) Mining premium and royalties	5,349	3,097	138	6,972
	e) Employee benefits expense	770	653	625	2,506
	f) Finance costs	993	1,005	1,016	3,957
	g) Depreciation and amortisation expense	1,183	1,253	1,047	4,679
	h) Power and fuel	2,010	1,845	1,254	5,985
	i) Other expenses	3,887	3,928	2,100	11,727
	Total expenses (IV)	20,804	20,752	12,504	68,334
V	Profit / (loss) before share of profit/(loss) of joint ventures (net) (III-IV)	8,296	6,343	(590)	12,097
VI	Share of profit/(loss) of joint ventures (net) (refer note 1)	323	12	(53)	1
VII	Profit / (loss) before exceptional items and tax (V+VI)	8,619	6,355	(643)	12,098
VIII	Exceptional items (refer note 3)	-	83	-	83
IX	Profit / (loss) before tax (VII-VIII)	8,619	6,272	(643)	12,015
X	Tax expense / (credit)				
	a) Current tax	1,592	1,244	(33)	2,467
	b) Deferred tax	1,127	837	(28)	1,675
	Total tax expenses / (credit)	2,719	2,081	(61)	4,142
XI	Net Profit / (loss) for the period / year (IX-X)	5,900	4,191	(582)	7,873
XII	Other comprehensive income (OCI)				
	(A) (i) Items that will not be reclassified to profit or loss	808	229	51	492
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(93)	(9)	(2)	(12)
	(B) (i) Items that will be reclassified to profit or loss	(180)	(68)	11	451
	(ii) Income tax relating to items that will be reclassified to profit or loss	37	25	(32)	(143)
	Total other comprehensive income/(loss)	572	177	28	788
XIII	Total comprehensive income / (loss) for the period / year (Comprising Profit / (loss) and Other comprehensive income / (loss) for the period/year) (XI+XII)	6,472	4,368	(554)	8,661
XIV	Net Profit / (loss) for the period/year attributable to:				
	-Owners of the Company	5,904	4,198	(561)	7,911
	-Non-controlling interests	(4)	(7)	(21)	(38)
		5,900	4,191	(582)	7,873
XV	Other comprehensive income / (loss) attributable to:				
	-Owners of the Company	580	182	29	770
	-Non-controlling interests	(8)	(5)	(1)	18
		572	177	28	788
XVI	Total comprehensive income / (loss) for the period/year attributable to:				
	-Owners of the Company	6,484	4,380	(532)	8,681
	-Non-controlling interests	(12)	(12)	(22)	(20)
		6,472	4,368	(554)	8,661
XVII	Paid up Equity Share Capital (face value of Re. 1 per share)	241	241	240	241
XVIII	Other Equity excluding Revaluation Reserves				46,462
XIX	Earnings per equity share (not annualised)				
	Basic (Rs.)	24.53	17.45	(2.34)	32.91
	Diluted (Rs.)	24.42	17.37	(2.34)	32.73

SIGNED FOR IDENTIFICATION
BY

S R B C & CO LLP
MUMBAI



Notes

1. Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Bhushan Power and Steel Limited ('BPSL') was approved by the Hon'ble National Company Law Tribunal (NCLT) vide order dated 5 September 2019 and subsequently an appeal preferred by the Company has been allowed by the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 17 February 2020. The erstwhile promoters of BPSL, certain operational creditors and the Directorate of Enforcement ('ED') preferred an appeal before the Hon'ble Supreme Court against the NCLAT Order, which are pending for adjudication.

On 26 March 2021 the Company completed the acquisition of BPSL by implementing the resolution plan approved by NCLT basis an agreement entered with BPSL's committee of creditors that provides an option/right to the Company to unwind the transaction in case of unfavourable ruling on certain specified matters by Hon'ble Supreme Court.

On Implementation of Resolution Plan, the Company has also entered an arrangement with JSW Shipping & Logistics Private Limited ('JSLPL') through which the Company and JSLPL holds equity of Piombino Steel Limited ('PSL') in the ratio of 49% and 51% respectively giving joint control of PSL to the Company and JSLPL.

The Company has accounted its investment in PSL by applying equity method of accounting in accordance with Ind-AS 28 'Investments in Associates and Joint Ventures' wherein purchase consideration has been allocated on a provisional basis in accordance with Ind-AS 103 'Business Combinations' pending final determination of fair value of the acquired assets and liabilities. Accordingly, the Company has recognised its share of capital reserve amounting to Rs. 1,665 crores.

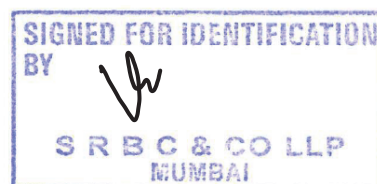
The Company has recognized Rs. 315 crores as its share of profit from investment in PSL for the quarter ended 30 June 2021 and figures for the comparative quarters are not comparable as control over PSL was acquired on 26 March 2021.

2. 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.
3. Exceptional items for the quarter and year ended 31 March 2021 represents impairment provision of Rs.83 crores relating to the US coal business towards the value of Property, plant and equipment and Goodwill on the basis of values determined by independent external valuers using cash flow projections of respective businesses and assets.
4. Previous period/year figures have been regrouped /reclassified wherever necessary.
5. The figures of the quarter ended 31 March 2021 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.
6. The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. On 13 November 2020 the Ministry of Labour and Employment released draft rules for the Code. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.
7. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 22 July 2021 and 23 July 2021 respectively. The statutory auditors have carried out a Limited Review of the results for the quarter ended 30 June 2021.

For JSW Steel Limited



Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
23 July 2021



Financial Performance for First Quarter FY 2021-22

Mumbai, India: JSW Steel Limited (“JSW Steel” or the “Company”) today reported its results for the First Quarter ended 30th June, 2021 (“Q1 FY2022” or the “Quarter”).

Key Highlights for Q1 FY2022:**Standalone Performance:**

- Crude Steel production: 4.10 million tonnes
- Saleable Steel sales: 3.61 million tonnes
- Highest ever quarterly Revenue from Operations: ₹25,959 crores
- Highest ever quarterly Operating EBITDA: ₹9,491 crores
- Highest ever quarterly Net profit/(Loss) after Tax: ₹5,258 crores

Consolidated Performance:

- Highest ever quarterly Revenue from Operations: ₹28,902 crores
- Highest ever quarterly Operating EBITDA: ₹10,274 crores
- Highest ever quarterly Net Profit after Tax: ₹5,900 crores
- Net Debt to Equity : 1.04x and Net Debt to EBITDA : 1.89x

India was impacted by a second wave of the pandemic during April and May 2021, with cases declining sharply from the month of June. The decline in cases, with an aggressive vaccination push has brightened the near-term prospects of the Indian economy.

During the second wave of Covid, JSW Steel ramped up various support and relief measures to help the communities and the nation. The Company swiftly set up a 1,000-bed jumbo hospital in Vijayanagar and 500-bed hospital in Dolvi, with all beds having oxygen availability. JSW Steel has also been at the forefront in supplying Liquid Medical Oxygen (LMO), with over 65,000 tonnes of oxygen supplied from the steel making facilities during Q1 FY2022. The company was supplying as much as 1,200 tons of oxygen per day at the peak of the crisis, being one of the largest suppliers of Liquid Medical Oxygen in the country.

Operational Performance Q1 FY2022:

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

Particulars	(million tonnes)				
	Q1 FY2022	4Q FY2021	Growth QoQ	Q1 FY2021	Growth YoY
Production: Crude Steel	4.10	4.19	-2%	2.96	+39%
Sales of Saleable Steel:					
- Rolled: Flat	2.67	2.97	-10%	1.99	+34%
- Rolled: Long	0.84	1.00	-17%	0.46	+83%
- Semis	0.10	0.09	+17%	0.35	-71%
Total Sales	3.61	4.06	-11%	2.80	+29%

Standalone Performance:

JSW Steel reported Crude Steel Production of 4.10 million tonnes, with average capacity utilization of 91% for the quarter, a marginal decline of 2% over Q4 FY2021 due to diversion of liquid oxygen for medical purposes during the second wave of Covid.

Sales of Saleable Steel for the quarter was 3.61 million tonnes, lower by 11% QoQ, impacted by lower domestic demand due to the severe second wave, especially in the southern and western regions of India. Exports however increased by 9% QoQ boosted by robust demand on the back of the ongoing recovery in the global economy. On a YoY basis, sales volume increased by 29%, as Q1 FY2021 was severely impacted by the Covid-related lockdown. JSW Steel's domestic automotive sales increased by ~5x YoY, while domestic automotive production grew by ~3x YoY in the country.

The Company registered its highest ever quarterly Revenue from Operations at ₹25,959 crores, an increase of 6% QoQ led by higher steel prices and improved product and market mix.

The Company achieved highest ever quarterly Operating EBITDA at ₹9,491 crores, an increase of 18% QoQ with an EBITDA margin of 36.6%. The increase in EBITDA margins was primarily due to increased realizations from export and domestic markets and an enriched product mix, which was partially offset by increase in raw material prices, especially iron ore and coal. The company reported its highest ever quarterly Profit after Tax of ₹5,258 crores, an increase of 31% QoQ.

Performance of Subsidiaries:

JSW Steel Coated Products (Consolidated):

During the quarter, JSW Steel Coated Products, including its subsidiaries, registered a production volume (GI/GL + Tin) of 0.66 million tons and sales volume of 0.70 million tonnes. Revenue from



Operations and Operating EBITDA for the quarter stood at ₹6,728 crores and ₹963 crores respectively. It reported a Profit after Tax of ₹682 crores for the quarter.

JSW Steel USA Ohio Inc. (Acero):

The EAF-based steel manufacturing facility in Ohio, USA, recommenced operations in March 2021 following an upgrade, and is ramping up well. During Q1 FY2022, it produced 150,539 net tonnes of Slabs. Sales volumes for the quarter stood at 52,391 net tonnes of Slabs and 62,678 net tonnes of HRC. It reported an EBITDA of US\$ 19.03 million for the quarter against an EBITDA loss of US\$ 24.18 million in Q4 FY2021.

US Plate & Pipe Mill:

The Plate & Pipe Mill based in Texas, USA produced 78,648 net tonnes of Plates and 5,685 net tonnes of Pipes, reporting a capacity utilization of 31% and 4%, respectively, during the quarter. Sales volumes for the quarter stood at 67,467 net tonnes of Plates and 4,935 net tonnes of Pipes. It reported an EBITDA of US\$ 24.45 million for the quarter against EBITDA loss of US\$ 6.60 Million in Q4 FY2021.

Italy Operations :

The Italy based Rolled long products manufacturing facility produced 74,253 tonnes and sold 59,085 tonnes during the quarter. It reported an EBITDA loss of Euro 4.76 million for the quarter compared to an EBITDA loss of Euro 2.52 Million in Q4 FY2021.

Consolidated Financial Performance Q1 FY2022:

Saleable Steel sales for the quarter stood at 3.47 million tonnes (Indian operations excluding JVs). The company enhanced exports by 14% QoQ to partially offset the fall in domestic demand due to the second wave of Covid, as well as seasonality.

During the quarter, the joint ventures operations, mainly Bhushan Power & Steel Ltd. and JSW Ispat Special Products Ltd, performed satisfactorily. The share of profit from JVs for the quarter stood at ₹323 crores.

The company registered highest ever quarterly Revenue from Operations of ₹28,902 crores and highest ever Operating EBITDA of ₹10,274 crores, with an EBITDA margin of 35.5%. The Profit after Tax (including subsidiaries, joint ventures and associates) was ₹5,900 crores for the quarter, which is the highest ever quarterly achievement.

The Company's consolidated Net Gearing (Net Debt to Equity) stood at 1.04x at the end of the quarter (as against 1.14x at the end of Q4 FY2021) and Net Debt to EBITDA stood at 1.89x (as against 2.61x at the end of Q4 FY2021).

Production and Sales summary is as follows: (million tonnes)

Particulars	Crude Steel	Sales
JSW Steel Standalone	4.10	3.61
JSW Steel USA Ohio	0.14	0.10
Joint Control Entities:		
Bhushan Power & Steel Ltd.	0.69	0.48
JSW Ispat Special Products Ltd.	0.14	0.14
JSW Steel Indian Operations including Joint control	4.93	4.23 *
Total Combined Volumes	5.07	4.33 *

* Without eliminating inter-company volumes

Update on Projects:

Project execution at all locations is ramping up, with the workforce availability gradually improving.

Dolvi 5mtpa expansion: During the quarter, the CDQ-2 (Coke Dry Quenching) project was commissioned. Completion work pertaining to the Blast Furnace and Steel Melt Shop is ongoing and full integrated operations are expected to commence from September 2021.

Other expansion projects at Vijayanagar, Vasind and Tarapur are progressing well.

During the quarter, the company spent ₹2,688 crores on capex, against a total planned capex spend of ₹18,240 crores for FY2022.

Strategic Investment:

The JSW Steel coated business enjoys a leadership position in India, with a strong market share. Capacities have been expanding organically as well as inorganically. Additional colour coating lines are being commissioned at Vasind, Kalmeshwar, Vijayanagar and Srinagar as the colour coated steel market is expected to witness strong growth over the next few years. The paint companies in India have limited expansion plans in coil coatings that are consumed by the Company's colour coating business. It is important for JSW Steel to strategically secure coil coating supplies for colour coated steel, which is a profitable downstream value-added product.

JSW Paints Private Limited ("JSW Paints") has scaled up in just 2 years and is reliably supplying over 90% of the Company's paint requirements. Their facility is strategically located in Western India, with the ability to further scale up the existing facility as well as add more capacities.



JSW Paints has set up an R&D Centre at Vasind and has been able to work closely with the JSW Coated team to develop and introduce new and innovative products. High-Gloss, Anti-Dirt, Anti-Microbial, Self-Cleaning, Cool Roof and many such new coatings are under trials and testing. Increasingly, customers seek warranty and performance assurance, which the Company is now able to offer due to its tie-up with JSW Paints, and further strengthen its competitive advantage.

JSW Paints approached the Company for an equity investment. The company's board has approved a strategic investment of approximately ₹750 crores in JSW Paints in 3-4 tranches between FY2022 and FY2025. In the first tranche of the Strategic Investment, the Company will invest ~₹300 crores and subscribe to equity shares equivalent to approximately 6.88% (on fully diluted basis) of the issued and paid-up equity capital of JSW Paints during Q2 FY2022. The valuation has been done by one of the Big Four accounting firms and subsequent tranche investments will be made following similar independent valuations at the time of the investment.

Overall, this investment will be a very good strategic fit for JSW Steel - from jointly innovating, securing supplies, to having a strong competitive advantage for JSW Steel Coated. In addition, JSW Paints has been able to make inroads into the fast growing and lucrative decorative paints market, which will be value-accretive. Also, many of the paint retailers can be potential retailers for JSW Steel coated products enhancing the retail foot print for steel products.

Renewable Energy of ~1 GW

JSW Steel is aligned to India's Nationally Determined Contributions for climate change as per the Paris Accord, and has set out a GHG emission target of 2 tCO₂e/tcs by FY2030, a 41% reduction compared to its FY2005 baseline emissions. Replacing thermal power with renewable power is one of the key components of achieving this reduction. Moreover, JSW Steel has Renewable Power Obligations (RPO) that it is required to meet.

The Board has approved the entering into a Power Purchase Agreement for procurement of wind and solar power with Special Purpose Vehicles (SPV) set up by JSW Energy Ltd. under the group captive scheme. This will supplement the power requirements at the Vijayanagar, Dolvi and Salem steel complexes, and will also go towards meeting the Company's RPO obligations. JSW Energy Ltd. will be setting up these renewable power facilities with an installed capacity of 958MW.

The group captive scheme allows a waiver of the cross-subsidy surcharge, and requires the procurer to hold 26% equity in the power supplier. Accordingly, JSW Steel will invest ₹445 crores, equivalent to 26% of equity in the respective SPV's of the renewable projects to be set up by JSW Energy in the respective states of JSW Steel's plants, as per the group captive norms.

Outlook

In June 2021, the World Bank upgraded their CY 2021 global GDP growth forecast to 5.6% from 4.1% earlier, supported by fiscal and monetary policy measures by governments and central banks globally. Accelerated pace of vaccination programs in developed countries, especially US, UK and Europe, is driving opening up of their economies, leading to robust growth and job creation.

On the back of ramping up of vaccination programs and strong fiscal support from the respective governments, the recent PMI and IP prints of the US and EU reflect improving business and consumer sentiment which bodes well for steady economic recovery. Japan has had a slower pace of vaccination compared to the West, leading to more gradual economic recovery, though vaccinations have picked up recently.

China's GDP grew at 7.9% in Q2 CY 2021. Strong exports, especially in the month of June, on the back of recovery in advanced economies is a key positive, while the real estate sector moderated due to policy tightening. It is expected that monetary and fiscal policy will continue to be supportive for stable economic growth.

Inflation levels have increased globally, and pose a risk to the loose monetary policies in place, but most central banks currently expect it to be transitory, driven by supply-side disruptions. Possible re-emergence of infections driven by new variants also pose downside risks to the reopening of economies and the growth momentum. The currently rising daily caseloads in many countries is being closely watched.

In India, economic activities were impacted by the onset of the second wave of Covid, which has abated sharply in the month of June. As a result, lock-downs and restrictions have eased, and economic activities are picking up across the board, reflecting improved business and consumer sentiments. However, governments are continuing to be cautious about a third wave, although preparedness is much better as the Union cabinet has approved a ₹23,123-crore package for improving health infrastructure to fight Covid-19 as part of which around 2.40 lac hospital beds and 20,000 ICU beds would be created over the next few months till March 2022.

India's rural economy is being aided by a good monsoon for the third consecutive year, and a large part of fiscal stimulus measures have been directly focused on increasing rural income and consumption. This is reflected in the recent surge in tractor sales.

The Indian industrial sector has also shown a pick up, with peak power consumption hitting several records in 2021 (191GW in end-June). Green shoots are visible in the Automotive sector as domestic production volumes witnessed a bounce-back in the month of June, following the Covid-related hit in April and May. A robust residential real estate market since 2020 may signal a turn of the real estate cycle.

The government continues to focus on manufacturing, with continued rollout of PLI scheme for various sectors, including speciality steel. Construction and Infrastructure activities are expected to gain momentum in H2 FY2022.

Accelerated pace of vaccination in India is leading to improved business sentiment. Ongoing normal monsoons, and the accommodative stance of the RBI are key positives for the economy. Overall, faster ramp-up of vaccination programs and favorable fiscal policies with large budgetary allocations focused on infrastructure are expected to support a strong economic recovery.

About JSW Steel:

JSW Steel is the flagship business of the diversified US\$ 13 billion JSW Group. As one of India's leading business houses, JSW Group also has other business interests in sectors such as energy, infrastructure, cement, paints, sports and venture capital. JSW Steel has grown from a single manufacturing unit in early '80s to become India's leading integrated steel company with a steel-making capacity of 28 MTPA in India & USA, including capacities under joint control & new capacity to be commissioned at Dolvi during this year. Its roadmap for the next phase of growth includes a target of achieving 37.5 MTPA steel capacity by FY25. The Company's manufacturing unit in Vijayanagar, Karnataka is the largest single location steel-producing facility in India with a capacity of 12 MTPA. JSW Steel has always been at the forefront of research and innovation. It has a strategic collaboration with global leader JFE Steel of Japan, enabling JSW to access new and state-of-the-art technologies to produce & offer high-value special steel products to its customers. These products are extensively used across industries and applications including construction, infrastructure, automobile, electrical applications, appliances etc. JSW Steel is widely recognized for its excellence in business. Some of its key honours and awards include World Steel Association's Steel Sustainability Champion (consecutively from 2019 to 2021), Leadership Band Rating (A-) in CDP (2020), Deming Prize for TQM for its facilities at Vijayanagar (2018) and Salem (2019), DJSI RobecoSAM Sustainability Industry Mover Award (2018) among others. JSW Steel is the only Indian company to be ranked among the top 10 global steel producers by World Steel Dynamics for 10 consecutive years. As a responsible corporate citizen, JSW Steel's carbon reduction goals are aligned to India's Climate Change commitments under the Paris Accord.

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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