



JSWSL: SEC: MUM: SE: 2021-22
January 21, 2022

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|--|--|
| 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. Scrip Code No.500228 Kind Attn: The General Manager (CRD). |
|--|--|

Dear Sir/Madam,

Sub: Un-audited Standalone & Consolidated financial Results for the Quarter & nine months ended 31st December 2021

Pursuant to Regulation 33 & applicable sub-regulations of Regulation 52 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 & nine months ended 31st December 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
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Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 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 standalone financial results of JSW Steel Limited (the "Company") for the quarter ended December 31, 2021 and year to date from April 1, 2021 to December 31, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement 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 and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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 & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 22105938AAAAAB3836



Place: Mumbai
Date: January 21, 2022

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.

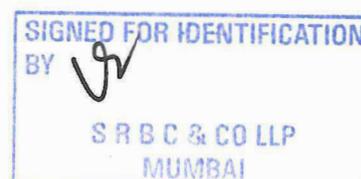
3. Other Income for the quarter ended 30 September 2021 and nine months ended 31 December 2021 includes Rs. 702 crores which represents fair valuation gain on re-measurement of OFCDs held by the Company in one of its joint ventures.

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



Independent Auditor's Review Report on the Quarterly and Year to Date 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 December 31, 2021 and year to date from April 1, 2021 to December 31, 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. The Holding Company's Management is responsible for the preparation of the Statement 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 and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. 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:
 - 10 subsidiaries, whose unaudited interim financial results and other unaudited financial information include total revenues of Rs 9,857 crores and Rs 17,385 crores, total net profit after tax of Rs 1,030 crores and Rs 1,336 crores and total comprehensive income of Rs 994 crores and Rs 1,500 crores for the quarter ended December 31, 2021 and the period ended on that date respectively, 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/(loss) of Rs (14) crores and Rs 1,089 crores and Group's share of total comprehensive income/(loss) of Rs (14) crores and Rs 1,089 crores for the quarter ended December 31, 2021 and for the period ended on that date respectively, 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:
 - 28 subsidiaries, whose unaudited interim financial results and other unaudited financial information include total revenues of Rs 18 crores and Rs 53 crores, total net loss after tax of Rs 57 crores and Rs 286 crores and total comprehensive loss of Rs 43 crores and Rs 300 crores for the quarter ended December 31, 2021 and the period ended on that date respectively.
 - 3 joint ventures, whose unaudited interim financial results and other unaudited financial information include the Group's share of net loss of Rs 0.04 crores and Rs 0.04 crores and Group's share of total comprehensive loss of Rs 0.04 crores and Rs 0.04 crores for the quarter ended December 31, 2021 and for the period ended on that date respectively.

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 S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Vikram Mehta
Partner

Membership No.: 105938
UDIN: 22105938AAAAAC1337



Place: Mumbai
Date: January 21, 2022

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. Periyama 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 (Consolidated) |
| 5. Prime Coal, LLC (merged with Periyama Holdings, LLC w.e.f. December 2, 2021) | 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 till September 30, 2021) |
| 9. Periyama Handling, LLC (merged with Planck Holdings, LLC w.e.f. December 2, 2021) | 9. Bhushan Power and Steel Limited (Subsidiary of Piombino Steel Limited) (w.e.f. March 26, 2021 till September 30, 2021) |
| 10. Rolling S Augering, LLC (merged with Planck Holdings, LLC w.e.f. December 2, 2021) | |
| 11. Hutchinson Minerals, LLC | |
| 12. Keenan Minerals, LLC (merged with Purest Energy, LLC w.e.f. December 2, 2021) | |
| 13. Meadow Creek Minerals, LLC | |
| 14. Peace Leasing, LLC (merged with Purest Energy, LLC w.e.f. December 2, 2021) | |
| 15. R.C. Minerals, LLC (merged with Purest Energy, LLC w.e.f. December 2, 2021) | |
| 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 | |
| 52. Piombino Steel Limited (w.e.f. October 1, 2021) | |
| 53. Bhushan Power and Steel Limited (w.e.f. October 1, 2021) | |
| 54. West Waves Maritime & Allied Services Private Limited (w.e.f. November 24, 2021) | |
| 55. Neotrex Steel Private Limited (w.e.f. October 1, 2021) | |
| 56. JSW One Distribution Limited (w.e.f. November 22, 2021) | |



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



Financial Performance for Third Quarter FY 2021-22

Mumbai, India: JSW Steel Limited (“JSW Steel” or the “Company”) today reported its results for the Third Quarter ended 31st Dec, 2021 (“Q3 FY2022” or the “Quarter”).

Key Highlights for Q3 FY2022:**Standalone Performance:**

- Crude Steel production: 4.41 million tonnes
- Saleable Steel sales: 4.00 million tonnes
- Revenue from Operations: ₹28,850 crores
- Quarterly Operating EBITDA: ₹6,797 crores
- Quarterly Net Profit after Tax: ₹3,424 crores

Consolidated Performance:

- Crude Steel production: 5.21 million tonnes
- Saleable Steel sales: 4.63 million tonnes
- Revenue from Operations: ₹38,071 crores
- Quarterly Operating EBITDA: ₹9,132 crores
- Quarterly Net Profit after Tax: ₹4,516 crores
- Net Debt to Equity : 1.02x and Net Debt to EBITDA : 1.73x

The Indian economy had a steady recovery following the second wave of Covid-19 in Q1 FY2022, and India’s vaccination drive progressed steadily, with 1 billion shots administered by October 2021, and 1.5 billion shots by January 2022. Several high-frequency economic indicators were near or above pre-Covid levels by Q3 FY2022. The ongoing third wave of Covid-19 in India has so far been less severe than the prior waves. While contact-intensive services are temporarily impacted, industrial activity remains robust supported by government spending and healthy global demand, and the economy is expected to bounce back once cases begin to trail off.

Standalone Operational Performance Q3 FY2022:

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

| Particulars | (million tonnes) | | | | |
|---------------------------------|------------------|-------------|------------|-------------|------------|
| | Q3 FY2022 | Q2 FY2022 | QoQ | Q3 FY2021 | YoY |
| Production: Crude Steel | 4.41 | 4.10 | +8% | 4.08 | +8% |
| Sales of Saleable Steel: | | | | | |
| - Rolled: Flat | 3.00 | 2.61 | +15% | 2.92 | +3% |
| - Rolled: Long | 0.88 | 0.95 | -7% | 0.91 | -3% |
| - Semis | 0.12 | 0.22 | -47% | 0.06 | +90% |
| Total Sales | 4.00 | 3.79 | +6% | 3.90 | +3% |

During the Quarter, JSW Steel reported Crude Steel Production of 4.41 million tonnes, an increase of 8% QoQ, led by an increase in average capacity utilization to 94% from the existing operations, and production of 0.18 million tonnes from the recently commissioned Dolvi Phase-2 expansion.

Sales of Saleable Steel for the quarter was 4.00 million tonnes, higher by 6% QoQ, led by a 29% increase in domestic sales, driven by demand from Automotive, Solar and Appliance sectors. Exports were moderated to 15% of sales during the Quarter vs. 30% of sales in Q2 FY2022.

Revenue from Operations was at ₹28,850 crores, an increase of 3% QoQ, led by an increase in volumes and net sales realization in the domestic market.

The Company achieved quarterly Operating EBITDA at ₹6,797 crores, lower by 22% QoQ, with an EBITDA margin of 23.6%. The EBITDA margin was lower QoQ primarily due to elevated prices of coking coal and higher power cost. Domestic Iron ore prices during the Quarter softened in line with global indices, partly offsetting the cost increase.

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 the 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 ₹1,056 crores.

The Company reported quarterly Profit after Tax of ₹3,424 crores, lower by 36% QoQ mainly due to lower EBITDA margin, higher interest and depreciation on completion and capitalization of projects and onetime gain of ₹702 crores accounted in Q2 FY2022 on fair valuation of Optionally Fully Convertible Debentures held at Piombino Steel Ltd., and higher tax rate.

Performance of Subsidiaries:

JSW Steel Coated Products (Consolidated):

During the quarter, JSW Steel Coated Products, including its subsidiaries, registered production volume (GI/GL + Tin) of 0.73 million tonnes and a sales volume of 0.77 million tonnes. Revenue from Operations and Operating EBITDA for the quarter stood at ₹7781 crores and ₹570 crores, respectively. It reported a Profit after Tax of ₹346 crores for the quarter.

Bhushan Power & Steel Ltd (BPSL):

BPSL became a subsidiary with effect from 1st October 2021, as JSW Steel increased its stake in BPSL to 83.28% from 49% earlier on conversion of OFCD's. During the quarter, BPSL registered Crude Steel Production of 0.64 million tonnes and Sales volume of 0.58 million tonnes. Exports accounted for 36% of the sales mix. Revenue from Operations and Operating EBITDA for the quarter stood at ₹5,083 crores and ₹1,547 crores, respectively. It reported a Profit after Tax of ₹1,018 crores for the quarter.

JSW Steel USA Ohio Inc.:

During Q3 FY2022, the EAF-based operations at Ohio produced 180,112 net tonnes of Crude Steel, reporting an increase in average capacity utilization to 50%. Sales volumes for the quarter stood at 74,721 net tonnes of Slabs and 92,557 net tonnes of HRC. It reported an EBITDA of US\$ 42.12 million for the quarter compared to Q2 FY2022 EBITDA of US\$ 48.28 million.

US Plate & Pipe Mill:

The Plate & Pipe Mill based in Texas, USA produced 76,621 net tonnes of Plates and 1,261 net tonnes of Pipes. Sales volumes for the quarter stood at 66,573 net tonnes of Plates and 1,251 net tonnes of Pipes. It reported an EBITDA of US\$ 13.38 million for the quarter compared to Q2 FY2022 EBITDA of US\$ 13.16 million.

Italy Operations:

The Italy-based Rolled long products manufacturing facility produced 120,070 tonnes and sold 113,957 tonnes during the quarter. It reported an EBITDA loss of Euro 6.8 million for the quarter compared to an EBITDA of Euro 6.1 million in Q2 FY2022 due to certain onetime write-offs/impairment charge.

Consolidated Financial Performance Q3 FY2022:

During the Quarter, JSW Steel reported consolidated Crude Steel Production of 5.21 million tonnes (excluding the JSW Ispat Special Products Ltd. joint venture) showing a growth of 22% QoQ. Saleable Steel sales for the quarter stood at 4.63 million tonnes (excluding JSW Ispat Special Products Ltd. joint venture) registering an increase of 16% QoQ.

The Company registered strong VASP (Value-added & Special Products) volume, with share of VASP at 62% (vs. 60% in Q2 FY2022 and 57% in Q3 FY2021 of JSW Steel Indian operations excluding BPSL and JV), driven by increased domestic sales to automotive, solar and appliance segments.

The Company registered quarterly Revenue from Operations of ₹38,071 crores and Operating EBITDA of ₹9,132 crores, with an EBITDA margin of 24%. The Profit after Tax (including subsidiaries, joint ventures and associates) was ₹4,516 crores for the quarter.

The Company's consolidated Net Debt to Equity (post consolidation of BPSL) stood at 1.02x at the end of the quarter (as against 0.92x at the end of Q2 FY2022) and Leverage (Net Debt to EBITDA) stood at 1.73x (as against 1.58x at the end of Q2 FY2022). This is after incurring capex of ₹4,026 crores during the Quarter and consolidation of BPSL.

Production and Sales Summary: (million tonnes)

| Particulars | Q3 FY2022 | | 9M FY2022 | |
|---|------------------------|---------------|------------------------|----------------|
| | Crude Steel Production | Sales | Crude Steel Production | Sales |
| JSW Steel Standalone | 4.41 | 4.00 | 12.61 | 11.40 |
| Bhushan Power & Steel Ltd.# | 0.64 | 0.58 | 2.02 | 1.82 |
| JSW Steel USA Ohio | 0.16 | 0.15 | 0.45 | 0.40 |
| Joint Control Entities: | | | | |
| JSW Ispat Special Products Ltd. | 0.14 | 0.13 | 0.41 | 0.41 |
| JSW Steel Indian Operations including Joint Control Entities | 5.19 | 4.72 * | 15.04 | 13.63 * |
| Total Combined Volumes | 5.35 | 4.87 * | 15.50 | 14.03 * |

* Without eliminating inter-company volumes

BPSL is a Subsidiary from 1st October 2021.

Update on Projects:

The 5 MTPA brownfield expansion at Vijayanagar is progressing well, with civil works underway at the site. Long lead-time items have been ordered, and Letters of Credit established. The project is expected to be completed by FY2024.

The Downstream expansion projects at Vijayanagar, Vasind and Tarapur are in advanced stages of implementation, with several lines having been commissioned in 9M FY2022.

The Company's capex spent was ₹ 4,026 crores during Q3 FY2022 and ₹ 10,353 crores for 9M FY2022, against a total planned capex spend of ₹18,240 crores for FY2022. During Q3 FY2022, BPSL incurred a capex of ₹180 crores.

Outlook

The global economy saw a steady recovery in 2021, aided by strong monetary and fiscal stimulus, steady vaccinations as well as booster doses in several advanced economies, and better ability of healthcare systems to deal with follow-on Covid waves and variants. In its January 2022 economic outlook, the World Bank estimates that global growth was 5.5% in 2021, compared to 2.6% in 2019 and -3.4% in 2020.

However, the World Bank reduced its CY 2022 global GDP growth forecast marginally (-20 bps) to 4.1%, due to the ongoing Omicron outbreak, diminishing fiscal support from governments and lingering supply bottlenecks. The near-term outlook for global inflation is higher than previously envisioned, owing to higher food and energy prices, and more pernicious supply disruptions. Though pent-up demand will gradually reduce and supportive macroeconomic policies will be unwound, the World Bank has increased its 2023 forecast for global growth by 10bps to 3.2%.

In the US, economic growth is likely to moderate in 2022 on slowing private consumption and manufacturing, rising energy prices, Omicron related headwinds and fading boost to income from pandemic related fiscal support. Inflation has surprised on the upside and a tight labour market has applied upward pressure on wages. The US housing market continue to be robust. The recently approved US\$1 trillion infrastructure plan should aid growth going forward. Aggressive policy tightening to curb inflation is a risk to growth.

In Europe, industrial production was impacted by supply bottlenecks and higher energy prices which could be continued risks. Recent Omicron outbreaks can affect recovery in services. In Japan, economic activity picked up pace as pandemic restrictions were relaxed with pent up demand and fresh fiscal stimulus to drive growth in 2022. In China, a slowing property sector and severe pandemic restrictions are having an impact on consumer spending and investments. That said, manufacturing activity and exports remain robust despite supply bottlenecks. The recent rate cuts in China in December 2021 and January 2022 are signaling easing of liquidity, with further policy support likely post the Winter Olympics and Chinese New Year holidays in February.

Inflation levels have increased globally, further accentuated by supply bottlenecks, high energy prices and tightness in labour markets which pose a risk of faster policy tightening across regions.

In India, economic activity recovered in Q3 FY22 on increased government spending, recovery in private consumption and falling Covid-19 cases. Many high frequency economic indicators were above or near pre-Covid levels. The ongoing Omicron outbreak will affect growth and Q4 FY22, especially services. However, manufacturing activity continues to be robust, and a strong bounce back is expected once the wave subsides. The current wave is much less severe than the previous waves from a health perspective.

Various government initiatives such as National Infrastructure Pipeline, Gati Shakti Program, and PLI schemes across sectors are supporting investment and manufacturing growth in India. Healthy tax collections allow room for continued expenditure by the government in the upcoming budget.

Construction, infrastructure and renewable energy segment should witness healthy pickup while residential real estate continues its recovery, aided by lower interest rates. The real estate market has been subdued for several years, and a turn in the cycle bodes well for increased construction activity.

Strong global demand for goods resulted in merchandise exports of \$301.4 billion from India for the April-December 2021 period, compared to \$200.1 billion in April-December 2020. Sales of passenger and commercial vehicles have been strong recently, and the construction and infrastructure sectors have seen steady investments with the government's focus on infrastructure. During Q3 FY2022 India's finished steel consumption was up 9.1% QoQ.

The balance sheets of banks and corporates are healthy, with lower leverage levels compared to pre-pandemic levels, and the RBI's stance is accommodative; these factors support investment and growth. High inflation and the emergence of new Covid variants could be some risk factors for the 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, certified as Great Places To Work in 2021, has emerged as an organization with strong cultural foundation and great potential to be among the Top 100 companies. Over the last three decades, it has grown from a single manufacturing unit to become India's leading integrated steel company with capacity of 28 MTPA in India & USA (including capacities under joint control). 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 and sustainability practises. Some of these recognitions include World Steel Association's Steel Sustainability Champion (consecutively 2019 to 2021), Leadership Rating (A-) in CDP (2020), Deming Prize for TQM for its facilities at Vijayanagar (2018) and Salem (2019). It is part of the Dow



Jones Sustainability Index (DJSI) for Emerging Markets (2021) and S&P Global's Sustainability Yearbook (consecutively for 2020 and 2021). JSW Steel is the only Indian company to be ranked among the top 15 global steel producers by World Steel Dynamics for 13 consecutive years since 2008. 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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