

JSW Steel Limited

Registered Office : Jindal Mansion, 5A, Dr. G. Deshmukh Marg, Mumbai - 400 026

Unaudited Financial Results for the Quarter and Half Year ended 30th September, 2007

(Rs. in Crores)

Sr. No.	Particulars	Standalone				
		Unaudited				Audited
		Three Months Ended		Half Year Ended		Year Ended
	30.09.2007	30.09.2006	30.09.2007	30.09.2006	31.03.2007	
1	Gross Revenue	1,856.60	1,336.90	3,551.25	2,224.23	5,743.70
	Domestic Turnover	778.17	1,034.47	1,502.28	1,857.35	3,593.64
	Export Turnover	111.11	-	111.11	-	-
	Other Operating Income - Sale of Carbon Credits	2,745.88	2,371.37	5,164.64	4,081.58	9,337.34
	Total	2,745.88	2,371.37	5,164.64	4,081.58	9,337.34
	Less: Excise Duty	251.79	174.74	479.83	288.62	742.90
	Net Turnover	2,494.09	2,196.63	4,684.81	3,792.96	8,594.44
2	Other Income	124.68	8.39	261.16	10.02	105.15
3	Total Income (1+2)	2,618.77	2,205.02	4,945.97	3,802.98	8,699.59
4	(Increase) / Decrease in Stock in Trade and Work in Progress	(78.00)	10.13	(175.36)	(135.86)	66.54
	Consumption of Raw Materials	1,204.47	957.28	2,284.33	1,828.91	3,963.41
	Power and Fuel	119.76	111.00	225.84	198.39	393.10
	Employees cost	58.44	41.68	116.87	81.27	175.47
	Other Expenditure	353.53	340.15	655.95	610.98	1,179.10
	Total	1,658.20	1,460.24	3,107.63	2,583.69	5,777.62
5	Profit before Interest, Depreciation, Miscellaneous Expenditure written-off and Tax (3-4)	960.57	744.78	1,838.34	1,219.29	2,921.97
6	Interest and Finance charges (net)	68.07	96.73	154.06	187.24	399.54
7	Depreciation etc.	135.39	116.44	267.58	218.96	498.23
8	Miscellaneous Expenditure Written Off	46.37	39.88	92.74	54.98	109.02
9	Profit before Tax (5-6-7-8)	710.74	491.73	1,323.96	758.11	1,915.18
10	Tax Expense	199.51	145.43	384.95	241.51	623.18
11	Net Profit after Tax (9-10)	511.23	346.30	939.01	516.60	1,291.00
12	Paid up Equity Share Capital (face value of Rs. 10 per share)	163.98	156.98	163.98	156.98	163.98
13	Reserves					4,873.38
14	Earnings per share (EPS)					
	Basic (Rs.)	30.68	21.55	56.27	31.90	80.11
	Diluted (Rs.)	29.85	21.48	54.75	31.79	78.88
15	Public shareholding					
	- Number of shares	87,984,950	85,782,365	87,984,950	85,782,365	87,678,086
	- Percentage of shareholding	53.66%	54.65%	53.66%	54.65%	53.47%

(Rs. in Crores)

Sr. No.	Particulars	Consolidated		
		Unaudited		Audited
		Three Months Ended	Half Year Ended	Year Ended
	30.09.2007	30.09.2007	31.03.2007	
1	Gross Revenue	2,657.99	5,088.41	9,337.34
	Other Operating Income - Sale of Carbon Credits	111.11	111.11	-
	Total	2,769.10	5,199.52	9,337.34
	Less: Excise Duty	251.79	174.74	479.83
	Net Turnover	2,517.31	4,719.69	8,594.44
2	Other Income	124.68	8.39	261.16
3	Total Income (1+2)	2,642.15	4,981.01	8,699.59
4	(Increase) / Decrease in Stock in Trade and Work in Progress	(78.00)	(175.44)	66.54
	Consumption of Raw Materials	1,223.13	2,311.94	3,960.45
	Power and Fuel	119.88	125.99	393.10
	Employees cost	61.66	120.90	175.81
	Other Expenditure	360.33	664.89	1,181.03
	Total	1,686.92	3,148.28	5,776.93
5	Profit before Interest, Depreciation, Miscellaneous Expenditure written-off and Tax (3-4)	955.23	1,832.73	2,922.66
6	Interest and Finance charges (net)	69.22	155.47	399.59
7	Depreciation etc.	135.83	268.20	498.25
8	Miscellaneous Expenditure Written Off	46.47	92.94	109.68
9	Profit before Tax (5-6-7-8)	703.71	1,316.12	1,915.14
10	Tax Expense	199.16	385.40	623.25
11	Net Profit after Tax (9-10)	504.55	930.72	1,291.89
12	Share of Profits / (Losses) of Associates (Net)	(11.31)	(8.35)	12.00
13	Net Profit after Tax after Share of Profits of Associates (11+12)	493.24	922.37	1,303.89
14	Paid up Equity Share Capital (face value of Rs. 10 per share)	163.98	163.98	163.98
15	Reserves			4,938.01
16	Earnings per share (EPS)			
	Basic (Rs.)	29.77	55.76	80.86
	Diluted (Rs.)	28.97	54.25	79.62
17	Public shareholding			
	- Number of shares	87,984,950	87,984,950	87,678,086
	- Percentage of shareholding	53.66%	53.66%	53.47%

HIGHLIGHTS

FOR THE QUARTER

↑
Crude Steel Production
7.83 lacs tonnes
Up by 21%

↑
Saleable Steel Sold
7.30 lacs tonnes
Up by 12%

↑
Net Turnover
Rs. 2494 Crores
Up by 14%

↑
EBIDTA
Rs. 961 Crores
Up by 29%

↑
PBT
Rs. 711 Crores
Up by 45%

↑
PAT
Rs. 511 Crores
Up by 48%

↑
Diluted EPS
Rs. 29.85
Up by 39%

↑
Adjusted Debt gearing
0.68

Notes :

1. Segment Performance - Revenue, Results and Capital Employed

(Rs. in Crores)

Sr. No.	Particulars	Standalone				
		Three Months Ended		Half Year Ended		Year Ended
		30.09.2007	30.09.2006	30.09.2007	30.09.2006	31.03.2007
1	Revenue by Business Segment :					
	Steel	2,411.67	2,221.95	4,644.75	3,844.31	8,739.20
	Power	242.93	85.98	372.63	171.00	455.03
	Total	2,654.60	2,307.93	5,017.38	4,015.31	9,194.23
	Less: Inter segment revenue	160.51	111.30	332.57	222.35	599.79
	Net Turnover	2,494.09	2,196.63	4,684.81	3,792.96	8,594.44
2	Segment results before interest and tax:					
	Steel	573.57	535.14	1,197.55	838.80	2,041.30
	Power	187.68	53.29	262.08	106.52	273.08
	Total	761.25	588.43	1,459.63	945.32	2,314.38
	Less: Unallocable items					
	Interest	68.07	96.73	154.06	187.24	399.54
	Unallocable expense net of unallocable income	(17.56)	(0.03)	(18.39)	(0.03)	(0.34)
	Profit before Tax	710.74	491.73	1,323.96	758.11	1,915.18
3	Segment Capital Employed : (Segment assets less Segment liabilities)					
	Steel	11,116.38	8,995.03	11,116.38	8,995.03	10,984.78
	Power	390.21	416.32	390.21	416.32	488.59
	Unallocated	(5,103.13)	(5,018.43)	(5,103.13)	(5,018.43)	(5,061.53)
	Total	6,403.46	4,392.92	6,403.46	4,392.92	6,411.84

(Rs. in Crores)

Sr. No.	Particulars	Consolidated		
		Three Months Ended	Half Year Ended	Year Ended
		30.09.2007	30.09.2007	31.03.2007
1	Revenue by Business Segment :			
	Steel	2,434.89	4,679.63	8,739.20
	Power	242.93	372.63	455.03
	Total	2,677.82	5,052.26	9,194.23
	Less: Inter segment revenue	160.51	332.57	599.79
	Net Turnover	2,517.31	4,719.69	8,594.44
2	Segment results before interest and tax:			
	Steel	556.28	1,182.77	2,053.31
	Power	187.68	262.08	273.08
	Total	743.96	1,444.85	2,326.39
	Less: Unallocable items			
	Interest	69.22	155.47	399.59
	Unallocable expense net of unallocable income	(17.66)	(18.39)	(0.34)
	Profit before Tax	692.40	1,307.77	1,927.14
3	Segment Capital Employed : (Segment assets less Segment liabilities)			
	Steel	11,440.27	11,440.27	10,992.94
	Power	390.21	390.21	488.59
	Unallocated	(5,362.18)	(5,362.18)	(5,005.19)
	Total	6,468.30	6,468.30	6,476.34

The Company is primarily engaged in the business of manufacture and sale of Iron and Steel Products. The Company has identified two primary business segments, namely Steel and Power (used mainly for captive consumption), which in the context of Accounting Standard 17 on "Segment Reporting" constitute reportable segments.

- During the quarter, the Company has made additional investments aggregating to Rs.19.30 crores in subsidiary and associate companies.
- During the quarter, the Company commissioned a Cold Rolling Mill facility at Vijayanagar works having a capacity of 0.8 MTPA.
- The Board of Directors of the Company in its meeting held on October 25, 2007 has approved a Scheme of Amalgamation of Southern Iron & Steel Company Limited with the Company with effect from April 1, 2007 ("Appointed Date") under sections 391-394 of the Companies Act, 1956. The Scheme is subject to the approval of the jurisdictional High Court and shareholders of the Company and other concerned authorities. The effect of amalgamation on the financial results will be given upon receipt of the necessary approvals.
- Consequent upon the adoption of the Companies (Accounting Standards) Rules 2006, with effect from April 1, 2007, the following changes in accounting policy/estimate have been made during the quarter/half year:
 - Exchange differences arising on settlement or restatement of foreign currency denominated liabilities relating to the acquisition of fixed assets, which in accordance with Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" were previously adjusted to the carrying values of the relevant fixed assets are now recognized in the Profit and Loss Account. As a result, profit for the quarter and half-year is higher by Rs. 19.58 crores and Rs.79.72 crores respectively.
 - Long term and post employment benefits (namely compensated absences and gratuity) are in accordance with Accounting Standard 15 on "Employee Benefits" now measured on a discounted basis by the Projected Unit Credit Method on the basis of third party actuarial valuation. As a result, profit for the quarter and half-year is lower by Rs. 0.06 crore and Rs. 1.95 crores respectively. Also, in accordance with the transitional provisions of the Standard Rs. 6.99 crores (net of tax) has been debited to the opening reserves.
- Paid up equity share capital does not include an amount of Rs. 61.03 crores being the amount originally paid up on the shares forfeited in an earlier year.
- Comparative financial information has been regrouped and reclassified, wherever necessary, to correspond to the figures of the current quarter / half- year.
- Information on investor complaints (numbers):

Pending at beginning of the quarter	28
Received during the quarter	1123
Resolved / replied during the quarter	1120
Unresolved at end of the quarter	31 **

** Since resolved.
- The auditors of the Company have carried out a Limited Review of the above standalone financial results for the quarter and half year ended September 30, 2007 in compliance with Clause 41 of the Listing Agreement. The standalone and consolidated financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on October 25, 2007.

Date : October 25, 2007

For JSW Steel Limited

Y. Siva Sagar Rao
Jt. Managing Director & CEO