

JSW Steel Limited

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

Unaudited Financial Results for the Quarter and Nine Months ended 31st December, 2007

(Rs. in Crores)

Sr. No.	Particulars	Standalone				Audited Previous Year Ended 31.03.2007
		Unaudited				
		Three Months Ended		Nine Months Ended		
31.12.2007	31.12.2006	31.12.2007	31.12.2006			
1	Gross Revenue	1,964.09	1,654.84	5,497.64	3,862.55	5,703.62
	Domestic Turnover	864.69	847.48	2,366.97	2,704.83	3,593.64
	Export Turnover	-	-	111.11	-	-
	Other Operating Income - Sale of Carbon Credits	-	-	-	-	-
	Total	2,828.78	2,502.32	7,975.72	6,567.38	9,297.26
	Less: Excise Duty	265.70	211.32	745.53	499.94	742.90
	Net Turnover	2,563.08	2,291.00	7,230.19	6,067.44	8,554.36
2	Other Income	35.11	26.34	313.97	52.88	145.23
3	Total Income (1+2)	2,598.19	2,317.34	7,544.16	6,120.32	8,699.59
4	(Increase) / Decrease in Stock in Trade and Work in Progress	(130.60)	25.21	(305.96)	(110.65)	66.54
	Consumption of Raw Materials	1,081.15	1,081.38	3,674.48	2,910.29	3,963.41
	Power and Fuel	110.52	93.79	336.36	292.18	393.10
	Employees cost	59.25	48.76	176.12	130.03	175.47
	Other Expenditure	395.48	264.92	1,051.43	875.90	1,179.10
	Total	1,824.80	1,514.06	4,932.43	4,097.75	5,777.62
5	Profit before Interest, Depreciation, Miscellaneous Expenditure written-off and Tax (3-4)	773.39	803.28	2,611.73	2,022.57	2,921.97
6	Interest and Finance charges (net)	95.25	110.67	249.31	297.91	399.54
7	Depreciation etc.	169.81	129.45	437.39	348.41	498.23
8	Miscellaneous Expenditure Written Off	46.38	27.00	139.12	81.98	109.02
9	Profit before Tax (5-6-7-8)	461.95	536.16	1,785.91	1,294.27	1,915.18
10	Tax Expense	133.77	174.01	518.72	415.52	623.18
11	Net Profit after Tax (9-10)	328.18	362.15	1,267.19	878.75	1,292.00
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.)	19.52	22.56	75.78	54.46	80.11
	Diluted (Rs.)	18.61	22.37	72.77	54.00	78.88
15	Public shareholding					
	- Number of shares	87,779,270	86,491,497	87,779,270	86,491,497	87,678,086
	- Percentage of shareholding	53.53%	55.10%	53.53%	55.10%	53.47%

(Rs. in Crores)

Sr. No.	Particulars	Consolidated		
		Unaudited		
		Three Months Ended	Nine Months Ended	Year Ended
31.12.2007	31.12.2007	31.03.2007		
1	Gross Revenue	3,107.60	8,178.31	9,297.26
	Other Operating Income-Sale of Carbon Credits	-	111.11	-
	Total	3,107.60	8,289.42	9,297.26
	Less: Excise Duty	265.70	745.53	742.90
2	Net Turnover	2,841.90	7,543.89	8,554.36
3	Other Income	36.18	315.20	145.23
4	Total Income (1+2)	2,878.08	7,859.09	8,699.59
	(Increase) / Decrease in Stock in Trade and Work in Progress	(87.85)	(263.29)	66.54
	Consumption of Raw Materials	1,504.07	3,816.01	3,960.45
	Power and Fuel	125.29	93.79	393.10
	Employees cost	97.67	218.57	175.81
	Other Expenditure	445.20	1,110.09	1,181.03
	Total	2,084.38	5,232.66	5,776.93
5	Profit before Interest, Depreciation, Miscellaneous Expenditure written-off and Tax (3-4)	793.70	2,626.43	2,922.66
6	Interest and Finance charges (net)	141.63	297.10	399.59
7	Depreciation etc.	191.44	459.64	498.25
8	Miscellaneous Expenditure Written Off	46.48	27.00	109.68
9	Profit before Tax (5-6-7-8)	414.15	1,730.27	1,915.14
10	Tax Expense	135.84	521.24	623.25
11	Net Profit after Tax (9-10)	278.31	1,209.03	1,291.89
12	Share of Profit / (Loss) of Minority	0.36	0.36	-
13	Share of Profits / (Losses) of Associates (Net)	(7.89)	(16.24)	12.00
14	Net Profit after Tax after Share of Profit / (Loss) of Minority and Share of Profits of Associates (11-12+13)	270.66	1,192.43	1,303.89
15	Paid up Equity Share Capital (face value of Rs. 10 per share)	163.98	163.98	163.98
16	Reserves	-	-	4,938.01
17	Earnings per share (EPS)			
	Basic (Rs.)	15.97	71.23	80.86
	Diluted (Rs.)	15.15	68.33	79.62
18	Public shareholding			
	- Number of shares	87,779,270	87,779,270	87,678,086
	- Percentage of shareholding	53.53%	53.53%	53.47%

HIGHLIGHTS FOR THE QUARTER

↑
Crude Steel Production
8.41 lacs tonnes

↑
Saleable Steel Sold
7.75 lacs tonnes

↑
Net Turnover
2563 Crores

↑
Up by 15%

↑
Up by 13%

↑
Up by 12%

Notes :

1. Segment Performance - Revenue, Results and Capital Employed

(Rs. in Crores)

Sr. No.	Particulars	Standalone				
		Unaudited				
		Three Months Ended	Nine Months Ended	Year Ended		
31.12.2007	31.12.2006	31.12.2007	31.12.2006	31.03.2007		
1	Revenue by Business Segment :					
	Steel	2,615.26	2,340.27	7,242.31	6,168.06	8,699.12
	Power	149.25	151.83	521.88	322.83	455.03
	Total	2,764.51	2,492.10	7,764.19	6,490.89	9,154.15
	Less: Inter segment revenue	201.43	201.10	534.00	423.45	599.79
	Net Turnover	2,563.08	2,291.00	7,230.19	6,067.44	8,554.36
2	Segment results before interest and tax:					
	Steel	458.94	556.04	1,656.49	1,394.84	2,041.30
	Power	89.82	90.79	351.90	197.31	273.08
	Total	548.76	646.83	2,008.39	1,592.15	2,314.38
	Less: Unallocable items					
	Interest	95.25	110.67	249.31	297.91	399.54
	Unallocable expense net off unallocable income	(8.44)	-	(26.83)	(0.03)	(0.34)
	Profit before Tax	461.95	536.16	1,785.91	1,294.27	1,915.18
3	Segment Capital Employed : (Segment assets less Segment liabilities)					
	Steel	12,540.69	9,782.14	12,540.69	9,782.14	10,097.16
	Power	405.98	412.35	405.98	412.35	488.59
	Unallocated	(6,184.25)	(4,790.43)	(6,184.25)	(4,790.43)	(5,186.57)
	Total	6,762.42	5,404.06	6,762.42	5,404.06	5,399.18

(Rs. in Crores)

Sr. No.	Particulars	Consolidated		
		Unaudited		
		Three Months Ended	Nine Months Ended	Year Ended
31.12.2007	31.12.2007	31.03.2007		
1	Revenue by Business Segment :			
	Steel	2,894.08	7,556.01	8,699.12
	Power	149.25	521.88	455.03
	Total	3,043.33	8,077.89	9,154.15
	Less: Inter segment revenue	201.43	534.00	599.79
	Net Turnover	2,841.90	7,543.89	8,554.36
2	Segment results before interest and tax:			
	Steel	457.52	1,648.64	2,053.31
	Power	89.82	351.90	273.08
	Total	547.34	2,000.54	2,326.39
	Less: Unallocable items			
	Interest	141.63	297.10	399.59
	Unallocable expense net off unallocable income	(8.44)	(26.83)	(0.34)
	Profit before Tax	414.15	1,730.27	1,927.14
3	Segment Capital Employed : (Segment assets less Segment liabilities)			
	Steel	17,039.76	17,039.76	10,992.94
	Power	405.98	405.98	488.59
	Unallocated	(10,219.06)	(10,219.06)	(5,005.19)
	Total	7,226.68	7,226.68	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.

2. During the quarter, the Company has made additional investments aggregating to Rs.304.91 crores in subsidiary companies.

3. The shareholders of the Company at their meeting held on 28 December 2007 approved the Scheme of Amalgamation of Southern Iron & Steel Company Limited with the Company with effect from 1 April 2007 ("Appointed Date"). The Scheme is subject to the approval of the jurisdictional High Court and other concerned authorities. The effect of amalgamation on the financial results of the Company will be given upon receipt of the necessary approvals.

4. Consequent upon the adoption of the Companies (Accounting Standards) Rules 2006, with effect from 1 April 2007, the following changes in accounting policy/estimate have been made during the quarter/nine months:

(a) 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 ended 31 December 2007 is lower by Rs. 1.73 crores and nine months ended 31 December 2007 is higher by Rs. 102.44 crores respectively.

(b) Post employment benefits (namely 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 nine months ended 31 December 2007 is lower by Rs.1.82 crores. Also, in accordance with the transitional provisions of the Standard Rs. 6.99 crores (net of tax) has been debited to the opening reserves.

5. 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.

6. Comparative financial information has been regrouped and reclassified, wherever necessary, to correspond to the figures of the current quarter / nine months.

7. Information on investor complaints (numbers):

Pending at beginning of the quarter	31
Received during the quarter	1072
Resolved/ replied during the quarter	1075
Unresolved at end of the quarter	28 **

** Since resolved.

8. The auditors of the Company have carried out a Limited Review of the above standalone financial results for the quarter and nine months ended 31 December 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 28 January 2008.

Date : January 28, 2008

For JSW Steel Limited

Y. Siva Sagar Rao
Jt. Managing Director & CEO



Part of the O. P. Jindal Group