

# JSW Steel Q1 Net Loss at Rs 3.82 bn



*"It is commendable to show volume growth in these challenging times when Indian steel demand grew only by 0.3% during April-June 2013 and simultaneously register an improved operating margin of 18.7% sequentially from 18.3% in Jan-March 2013. In spite of an acute shortage of iron ore, unreasonable prices in e-auction due to shortage of ore, falling global steel prices and threat of imports from countries enjoying concessional duties under FTA, the Company focused on cost reduction with a change in coal blend, improved fuel efficiency, use of waste gases and productivity improvements."*

**- SESHAGIRI RAO**

Joint Managing Director & Group CFO



JSW Steel Ltd has posted results for the first quarter ended 30th June, 2013. The net sales for the quarter stood at Rs92.35bn. The company has posted net loss at Rs3.82bn for the quarter.

#### Standalone Performance

- **Highest Ever Crude Steel Production** : 2.86 million tonnes, up by 34% YoY
  - **Saleable Steel Sales** : 2.55 million tonnes, up by 21% YoY
  - **Gross Turnover** : Rs10,220 crores
  - **Operating EBITDA** : Rs1,749 crores
- Net debt to equity: 1.14x

#### Consolidated Performance

- **Gross Turnover** : Rs11,155 crores
- **Operating EBITDA** : Rs. 1,879 crores
- **Net Debt to Equity** : 1.38x

#### Subsidiaries Performance

##### JSW Steel Coated Products

Pursuant to the Scheme, 'Vasind' and 'Tarapur' undertakings of JSW Steel and 'Kalmeshwar' undertaking of JSW ISPAT Steel have been transferred to a wholly owned subsidiary "JSW Steel Coated Products Limited" with effect from appointed date.

During the quarter, JSW Steel Coated Products registered a production of 0.34 million tonnes and sales of 0.33 million tonnes. The Gross

Turnover and Net Sales for the quarter stood at Rs1,938 crores and Rs1,799 crores, respectively. It recorded an Operating EBITDA of Rs79 crores and a Net Profit after Tax of ` 3 crores for the quarter.

#### Chile Iron Ore Mines

The Iron ore mines in Chile produced 0.21 million tonnes and shipped 0.15 million tonnes of Iron ore concentrate during the quarter. The Company earned an EBITDA of \$0.86 million for the quarter.

#### US Coal Mines

The production and despatches from the US coal mines were subdued during the quarter due to delays in obtaining permits. It sold 0.006 million net tonnes of coal and reported an EBITDA loss of \$0.35 million during the quarter.

#### US Plate and Pipe Mill:

The US based Plate and Pipe Mill facility produced 0.091 million net tonnes of Plates and 0.008 million net tonnes of Pipes, reporting a capacity utilization of 35% and 6%, respectively, during 1Q FY2014. Sales volumes for the quarter stood at 0.082 million net tonnes of Plates and 0.010 million net tonnes of Pipes.

EBITDA stood at \$0.60 million in this period