JINDAL STEEL & POWER LIMITED

Registered Office : O.P. Jindal Marg, Hisar - 125 005 (Haryana)
Corporate Office : Jindal Centre, 12, Bhikaiji Cama Place, New Delhi - 110 066
CIN: L27105HR1979PLC009913

JINDAL STEEL & POWER

₹ Crore
(except per share data)

STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED ON 30th JUNE, 2020

		PARTICULARS	Standalone Financial Results				Consolidated Financial Results			
			Quarter ended on 30th June, 2020	Quarter ended on 31st March, 2020	Quarter ended on 30th June, 2019	Year to date ended 31st March, 2020	Quarter ended on 30th June, 2020	Quarter ended on 31st March, 2020	Quarter ended on 30th June, 2019	Year to date ended 31st March, 2020
			Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
1		Income								
	(a)	Income								
		Value of Sales & Services (Revenue)	6,753.50	6,782.30	8,236.51	30,116.33	9,753.85	9,664.39	11,099.23	40,813.28
		Less: GST Recovered	(460.07)	(836.82)	(1,118.21)	(3,792.71)	(462.43)	(838.54)	(1,120.13)	(3,800.43)
		Less: Captive Sales for own projects	(12.65)	(15.17)	(33.52)	(95.37)	(12.65)	(15.17)	(33.52)	(95.37)
		Revenue from Operation	6,280.78	5,930.31	7,084.78	26,228.25	9,278.77	8,810.68	9,945.58	36,917.48
	(b)	Other Income	-	-	-	-	3.11	24.55	0.81	26.24
		Total Income	6,280.78	5,930.31	7,084.78	26,228.25	9,281.88	8,835.23	9,946.39	36,943.72
2		Expenses								
	(a)	Cost of materials consumed	2,145.94	2,085.01	3,028.18	10,687.67	3,373.06	3,254.25	3,752.17	14,233.34
	(b)	Purchase of stock-in-trade	333.46	133.54	276.07	882.46	230.58	31.31	284.88	573.54
	(c)	Change in inventories of finished goods, Work-in-progress and stock-in-trade	(67.50)	(333.61)	(59.17)	(198.06)	108.48	(535.66)	45.55	(220.34)
	(d)	Employee benefits expenses	172.30	193.58	161.67	678.67	280.09	293.42	280.76	1,112.08
	(e)	Finance Cost (Net)	603.97	622.51	696.95	2,610.61	1,004.11	1,007.81	1,109.03	4,149.34
	(f)	Depreciation and amortisation expenses	561.58	567.55	567.05	2,287.08	981.81	756.78	1,053.57	3,867.23
	(g)	Other expenses	1,880.96	2,304.76	2,103.58	8,495.57	2,915.21	3,562.75	3,442.67	13,460.35
	(h)	Cost of Captive Sales	(12.65)	(15.17)	(33.52)	(95.37)	(12.65)	(15.17)	(33.52)	(95.37)
		Total expenses	5,618.06	5,558.17	6,740.81	25,348.63	8,880.69	8,355.49	9,935.12	37,080.17
3		Profit / (Loss) before exceptional items and tax	662.72	372.14	343.97	879.62	401.19	479.74	11.27	(136.45)
4		Exceptional Items (Gain)/ Loss	-	-	-	-	-	109.39	-	109.39
5		Profit / (Loss) before tax	662.72	372.14	343.97	879.62	401.19	370.35	11.27	(245.84)
6		Tax expense:								
		Current tax (Net of MAT Credit Entitlement)	-	753.39	-	753.39	1.30	764.32	0.81	765.63
		Deferred tax	157.98	(662.99)	120.11	(491.44)	132.31	(699.59)	97.86	(611.77)
7		Net Profit / (Loss) after tax	504.74	281.74	223.86	617.67	267.58	305.62	(87.40)	(399.70)
8		Share of Profit/(Loss) of associates (Net of tax)	-	-	-	-	-	-	-	-
9		Total Profit/(Loss)	504.74	281.74	223.86	617.67	267.58	305.62	(87.40)	(399.70)

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10	Other Comprehensive Income (OCI)								
	i) Items that will not be reclassified to profit or loss	0.21	16.77	(5.31)	0.85	0.21	15.39	(5.75)	(0.53)
	ii) Income tax relating to items that will not be reclassified to profit or loss	(0.05)	(5.76)	1.86	(0.21)	(0.05)	(5.47)	1.86	0.08
	iii) Items that will be reclassified to profit or loss		-	-		(312.17)	316.21	70.79	394.15
	iv) Income tax relating to items that will be reclassified to profit or loss		-	-		-	-	-	-
11	**Total Comprehensive Income**	**504.90**	**292.75**	**220.41**	**618.31**	**(44.43)**	**631.75**	**(20.51)**	**(6.00)**
12	**Net profit attributable to:**								
	a) Owners of the equity					183.10	406.21	9.43	(109.17)
	b) Non-Controlling interest					84.48	(100.59)	(96.83)	(290.53)
13	Other Comprehensive Income attributable to:								
	a) Owners of the equity					(168.42)	267.63	79.14	351.67
	b) Non-Controlling interest					(143.59)	58.50	(12.24)	42.03
14	Total Comprehensive Income attributable to:								
	a) Owners of the equity					14.68	673.84	88.56	242.50
	b) Non-Controlling interest					(59.11)	(42.09)	(109.07)	(248.50)
15	Earnings before Interest, Taxes and Depreciation & amortisation (EBITDA)	1,828.27	1,562.20	1,607.97	5,777.31	2,384.00	2,219.78	2,173.07	7,853.88
16	Earnings before Interest, Taxes and Depreciation & amortisation (EBITDA) (%)	29%	26%	23%	22%	26%	25%	22%	21%
17	Paid up Equity Share Capital (Face value of ₹ 1 per share)	102.00	102.00	101.80	102.00	102.00	102.00	101.80	102.00
18	Other Equity	-	-	-	23,607.07	-	-	-	32,035.14
19	Earnings Per Share (EPS) (for the Quarter not annualised)								
	(a) Basic	4.95	2.76	2.22	6.09	1.80	3.98	0.09	(1.08)
	(b) Diluted **	4.95	2.76	2.21	6.09	1.79	3.98	0.09	(1.08)

** Anti-dilutive in case of loss

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Reporting of Segment wise Revenue, Results, Assets & Liabilities

₹ Crore

	PARTICULARS	Consolidated Financial Results			
		Quarter ended on 30th June, 2020	Quarter ended on 31st March, 2020	Quarter ended on 30th June, 2019	Year to date ended 31st March, 2020
1	Segment Revenue				
	(a) Iron & Steel	7,864.56	7,712.74	8,344.07	31,948.97
	(b) Power	1,550.88	1,704.37	1,994.09	6,855.45
	(c) Others	623.09	224.72	388.20	1,193.88
	Total	10,038.53	9,641.83	10,726.36	39,998.30
	Less: Inter-Segment Revenue	759.76	831.15	780.78	3,080.82
	Net Sales/ Income from Operations	9,278.77	8,810.68	9,945.58	36,917.48
2	Segment Results (Profit(+)/Loss(-) before Tax and Interest from each Segment)				
	(a) Iron & Steel	1,213.71	1,418.40	1,117.36	3,939.30
	(b) Power	310.35	156.92	270.84	586.67
	(c) Others	73.88	396.57	(112.84)	514.95
	Total	1,597.94	1,971.89	1,275.36	5,040.92
	Less :				
	i. Finance costs (Net)	1,004.11	1,007.81	1,109.03	4,149.34
	ii. Other un-allocable expenditure (net of un-allocable income)	192.64	484.34	155.06	1,028.03
	iii. Exceptional Items	-	109.39	-	109.39
	Total Profit Before Tax	401.19	370.35	11.27	(245.84)
3	Segment Assets				
	(a) Iron & Steel	56,795.20	57,789.44	55,622.29	57,789.44
	(b) Power	20,038.79	20,317.08	21,033.48	20,317.08
	(c) Others	6,674.29	6,381.37	5,904.33	6,381.37
	(d) Unallocated	4,795.54	5,254.06	6,858.99	5,254.06
	Total Assets	88,303.82	89,741.95	89,419.10	89,741.95
4	Segment Liabilities				
	(a) Iron & Steel	10,551.10	11,015.24	8,683.81	11,015.24
	(b) Power	3,329.68	2,998.19	3,142.64	2,998.19
	(c) Others	4,348.74	4,742.83	3,729.83	4,742.83
	(d) Unallocated	37,631.63	38,848.55	41,824.33	38,848.55
	Total Liabilities	55,861.14	57,604.81	57,380.61	57,604.81

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NOTES

1 The above financial results for the quarter ended 30th June 2020 have been reviewed by the Audit Committee and taken on record by the Board of Directors of Jindal Steel & Power Limited ('the JSPL" or "the Company" or "Holding Company") at their respective meetings held on 22nd July 2020. The statutory auditors of the Company have reviewed these financial results pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2 The Hon'ble Supreme Court of India vide its Order dated 24th September, 2014 had cancelled number of coal blocks in India including allocated to the Company by Ministry of Coal, Government of India. The Company has net book value of investment made in mining assets including land, infrastructure and clearance etc. of Rs. 425 crore (Rs. 608.58 crore including of a subsidiary company) and filed claim for the same pursuant to directive vide letter dated 26th December, 2014 given by the Ministry of Coal on such mines. Meanwhile the Ministry of Coal has made interim payment to the Company of Rs. 22.72 crore towards the same. On this auditors have drawn attention.

3 Accumulated losses of step down subsidiary companies Wollongong Coal Limited and its subsidiary companies (Australia) ('WCL Group'), as at 30th June 2020 is of Rs. 8,059.12 crores, current liabilities which has exceeded its current assets by Rs. 3,149.96 crores as at 30th June 2020 (Rs. 5,070.51 crores as at 31st March 2020). The management of the WCL considered the Consolidated entity to be a going concern based on audited financial statements of WCL Group for the year ended 31st March 2020 on the basis of funding and support from the Holding Company, settlement of legal claims, restructuring of certain secured debts, possibility of re-start of operations at its one of the colliery and operations within budget and cost-controlled regime.

4 The Company's financial performance continued to be impacted by higher finance cost due to borrowing for payment of additional coal levy of Rs. 3,300 crore (approx.) and higher fuel cost, consequent to cancellation of coal blocks by Hon'ble Supreme Court of India. (Note no. 2)

5 The secured redeemable non-convertible debentures of the company aggregating to INR 519.80 crore as on 30th June 2020 are secured by way of mortgage /charge on the Company's fixed asset and current assets .The asset cover in respect of the these debentures exceeds 100% of the principal amount of the same.

6 During the quarter the Company has settled / received insurance claim amount against loss of profit/ Business Interruption claim from an Insurance Company of Rs. 120.25 crores (net of Rs. 27.93 crores adjusted against claim lying in books of loss of assets due to fire occurred in 2016 in DRI Plant at Angul Unit). The same has been included under the head 'Other Operating Revenue'.

7 Subsidiary Company Jindal Power Limited has total investment of Rs. 1,231.82 crores as at 30th June 2020 in its 3 subsidiaries (step down Indian subsidiaries), incorporated as special purpose vehicles (SPV) to execute Hydro projects. Due to delay on the part of the State Governments to contribute its share in equity share capital, long delay in Government approvals and licenses, projects could not been started and amount spent till 30th June 2020 by these step down subsidiaries are shown under Capital Work-in progress. Based on the present status of the projects being undertaken by the stated subsidiaries and reports of independent valuers, management believes that presently there is no need to make any provision on account of impairment.

8 The Board of Directors of the Company, at its meeting held on June 30, 2020, approved the divestment by way of sale, by Jindal Steel & Power (Mauritius) Limited ("JSPML") of up to its entire equity interest in Jindal Shadeed Iron & Steel LLC, Oman (JSIS) (representing 99.99% of the issued and paid up share capital of JSIS) to Templar Investments Limited or any of its subsidiary(ies), for a consideration of up to US $ 251 million (partly by way of cash and partly by way of assumption of liabilities of JSPML), in one or more tranches. The proposed divestment is subject to the approval of the shareholders of the Company, lenders of JSIS and JSPML (as required under their respective financing documents) and such regulatory and other approvals, consents, permissions and sanctions as may be necessary.

9 Impact of COVID-19

(a) On Indian Operations

The Company has taken into account the possible impact of COVID-19 in preparation of these financial results. The disruptions to businesses worldwide and economic slowdown may have its eventual impact on the Company. The Company has made assessment of likely adverse impact on economic environment in general, and financial risk on account of COVID-19 on carrying value of its assets and operations of the Company. In assessing overall impact, the Company has considered internal and external information upto the date of approval of these financial results. On long term basis also, the Company does not anticipate any major challenge in meeting its financial obligations. The management has estimated its future cash flows which indicates no major change in the financial performance as estimated prior to COVID-19 impact. The impact of this pandemic may be different from that estimated as at the date of approval of these financials results and the Group will continue to closely monitor any material changes to future economic conditions.

(b) On Global Operations

The wide spread of the above stated pandemic since the beginning of 2020 is a fluid and challenging situation facing all industries and effect on the Group's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. As a result, it is not currently possible to ascertain the overall impact of COVID-19 on the Group's business. However, if the pandemic continues to evolve into a severe worldwide health crisis, the disease could have a material adverse effect on the Group's business, results of operations, financial condition and cash flows.

10 The figures for the quarter ended 31st March 2020 are the balancing figures between the audited figures in respect of the financial year ended 31st March 2020 and published year to date figures upto third quarter of the relevant financial year. Previous period figures have been regrouped/ reclassified/recast, wherever necessary, to make them comparable.

Date: 22nd July, 2020
Place: New Delhi

By Order of the Board

NAVEEN JINDAL
CHAIRMAN