



JSWSL: SEC: MUM: SE: 2018-19  
July 25, 2018

**Regd. Office :** JSW Centre,  
Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
CIN. : L27102MH1994PLC152925  
Phone : +91 22 4286 1000  
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Website : www.jsw.in

To, ]

|                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1. National Stock Exchange of India Ltd.</b><br/>Exchange Plaza<br/>Plot No. C/1, G Block<br/>Bandra - Kurla Complex<br/>Bandra (E), Mumbai - 400 051<br/>Fax No.: 2659 8237-38<br/><b>Ref: NSE Symbol - JSWSTEEL</b><br/><br/><b>Kind Attn.: Mr. Hari K, President (Listing)</b></p> | <p><b>2. Bombay Stock Exchange Limited</b><br/>Corporate Relationship Dept.<br/>Phiroze Jeejeebhoy Towers<br/>Dalal Street, Mumbai - 400 001.<br/>Fax No. 2272 2037/2039/ 2041/ 20 61<br/><b>Ref: Company Code No.500228.</b><br/><br/><b>Kind Attn.: Mr. S. Subramanian -DCS-CRD</b></p> |
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**Sub: Un-audited Standalone & Consolidated financial Results for the Quarter ended 30<sup>th</sup> June 2018**

Dear Sirs,

Pursuant to Regulation 33 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 ended 30<sup>th</sup> June 2018 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:

|                                                                                                                                                                                                             |                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1. Central Depository Services (India) Ltd.</b><br/>Phiroze Jeejeebhoy Tower, Dalal Street,<br/>28th Floor, Mumbai.- 400 023.<br/>Fax No.: 2272 3199</p>                                              | <p><b>2. National Securities Depository Ltd.</b><br/>Trade World, 4th Floor, Kamala Mill<br/>Compound, Senapati Bapat Marg,<br/>Lower Parel, Mumbai - 400 013.<br/>Fax No.: 24972993/24976351</p> |
| <p><b>3. Singapore Exchange Securities Trading Limited</b><br/>11 North Buona Vista Drive,<br/>#06-07, The Metropolis Tower 2,<br/>Singapore 138589<br/>Hotline: (65) 6236 8863<br/>Fax: (65) 6535 0775</p> |                                                                                                                                                                                                   |

**Limited Review Report****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 30 June 2018 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, 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



Mumbai  
25 July 2018



Registered Office : JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai- 400051  
CIN: L27102MH1994PLC152925

Statement of Unaudited Standalone Financial Results for the quarter ended 30 June 2018

(Rs. in Crores)

| Sr. No. | Particulars                                                                                                                         | Quarter Ended |                         |               | Year Ended    |
|---------|-------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------------|---------------|---------------|
|         |                                                                                                                                     | 30.06.2018    | 31.03.2018              | 30.06.2017    | 31.03.2018    |
|         |                                                                                                                                     | Unaudited     | Audited (refer Note 5)* | Unaudited*    | Audited *     |
| I       | Revenue from operations                                                                                                             |               |                         |               |               |
|         | a) Gross Sales                                                                                                                      | 18,465        | 19,346                  | 15,238        | 66,235        |
|         | b) Other operating Income                                                                                                           | 499           | 813                     | 193           | 1,488         |
|         | <b>Total Revenue from operations</b>                                                                                                | <b>18,964</b> | <b>20,159</b>           | <b>15,431</b> | <b>67,723</b> |
| II      | Other Income                                                                                                                        | 167           | 73                      | 48            | 213           |
| III     | <b>Total income (I + II)</b>                                                                                                        | <b>19,131</b> | <b>20,232</b>           | <b>15,479</b> | <b>67,936</b> |
| IV      | Expenses                                                                                                                            |               |                         |               |               |
|         | a) Cost of materials consumed                                                                                                       | 10,039        | 10,167                  | 8,465         | 35,995        |
|         | b) Purchases of stock-in-trade                                                                                                      | 52            | 328                     | 363           | 1,063         |
|         | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                                                    | (330)         | 207                     | (383)         | 412           |
|         | d) Employee benefits expense                                                                                                        | 356           | 321                     | 325           | 1,260         |
|         | e) Finance costs                                                                                                                    | 866           | 873                     | 907           | 3,591         |
|         | f) Depreciation and amortisation expense                                                                                            | 819           | 781                     | 732           | 3,054         |
|         | g) Power and fuel                                                                                                                   | 1,377         | 1,270                   | 1,097         | 4,771         |
|         | h) Excise duty expenses                                                                                                             | -             | -                       | 1,259         | 1,259         |
|         | i) Other Expenses                                                                                                                   | 2,648         | 2,823                   | 2,107         | 9,222         |
|         | <b>Total Expenses (IV)</b>                                                                                                          | <b>15,827</b> | <b>16,770</b>           | <b>14,872</b> | <b>60,627</b> |
| V       | <b>Profit before exceptional Items and Tax (III - IV)</b>                                                                           | <b>3,304</b>  | <b>3,462</b>            | <b>607</b>    | <b>7,309</b>  |
| VI      | Exceptional Items                                                                                                                   | -             | -                       | -             | 234           |
| VII     | <b>Profit before Tax (V - VI)</b>                                                                                                   | <b>3,304</b>  | <b>3,462</b>            | <b>607</b>    | <b>7,075</b>  |
| VIII    | Tax Expense                                                                                                                         |               |                         |               |               |
|         | a) Current tax                                                                                                                      | 688           | 854                     | 109           | 1,578         |
|         | b) Deferred tax                                                                                                                     | 278           | 373                     | 79            | 872           |
| IX      | <b>Net Profit after Tax for the period / year (VII-VIII)</b>                                                                        | <b>2,338</b>  | <b>2,235</b>            | <b>419</b>    | <b>4,625</b>  |
| X       | Other Comprehensive Income (OCI)                                                                                                    |               |                         |               |               |
|         | A. i) Items that will not be reclassified to profit or loss                                                                         | (60)          | (189)                   | 8             | 79            |
|         | ii) Income tax relating to items that will not be reclassified to profit or loss                                                    | 1             | -                       | 2             | 1             |
|         | B. i) Items that will be reclassified to profit or loss                                                                             | (230)         | (246)                   | (224)         | (374)         |
|         | ii) Income tax relating to items that will be reclassified to profit or loss                                                        | 80            | 86                      | 77            | 130           |
|         | <b>Total Other Comprehensive Income/(Loss)</b>                                                                                      | <b>(209)</b>  | <b>(349)</b>            | <b>(137)</b>  | <b>(164)</b>  |
| XI      | <b>Total Comprehensive Income for the period/year (Comprising Profit and Other Comprehensive Income for the period/year) (IX+X)</b> | <b>2,129</b>  | <b>1,886</b>            | <b>282</b>    | <b>4,461</b>  |
| XII     | Paid up Equity Share Capital<br>(face value of Re.1 per share)                                                                      | 241           | 241                     | 240           | 241           |
| XIII    | Earnings per equity share (not annualised)                                                                                          |               |                         |               |               |
|         | Basic (Rs.)                                                                                                                         | 9.72          | 9.29                    | 1.75          | 19.24         |
|         | Diluted (Rs.)                                                                                                                       | 9.67          | 9.25                    | 1.73          | 19.14         |

\*Restated (refer note 1).



## Notes

1. Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after 1 April 2018 replaces the existing revenue recognition standards. The application of Ind AS 115 did not have any significant impact on financial results of the Company. However, the Company has determined that, in case of certain contracts, shipping services provided to customers is a separate performance obligation and accordingly the revenue attributable to such shipping services has been recognised as revenue from operations, which was hitherto netted off against the corresponding freight expenses included as part of other expenditure in the above results. The Company has applied the full retrospective approach and restated the previous periods presented.

The restated revenue for the quarter ended 30 June 2017, quarter and year ended 31 March 2018 is higher by Rs. 335 crores, Rs. 460 crores and Rs. 1489 crores respectively with the corresponding increase in Other expenses.

Further, the export benefits, amounting to Rs. 66 crores for the quarter ended 30 June 2017, Rs. 72 crores and Rs. 300 crores for the quarter and year ended 31 March 2018 respectively which was earlier included as part of Revenue from operations has been reclassified to Other operating income

The above adjustment has no impact on the profit and loss for the respective periods.

2. On 15 June 2018, the Company completed acquisition of 100% equity stake in Acero Junction Holdings, Inc (Acero) for a cash consideration of Rs 536 crores. Acero, along with its wholly owned subsidiary JSW Steel USA Ohio, Inc (JSWSUO) (Formerly known as Acero Junction, Inc.). JSWSUO has steelmaking assets consisting of 1.5 MTPA electric arc furnace, 2.8 MTPA continuous slab caster and a 3.0 MTPA hot strip mill at Mingo Junction, Ohio in the United States of America. The company has accounted for an investment of Rs. 536 crores in its financials relating to such acquisition.
3. (i) The Company's units at Dolvi and Vijayanagar are eligible for VAT / CST deferral /refund scheme and have accounted for government grant on the basis SGST rates instead of VAT rates in accordance with the notification issued by the two states post implementation of GST. However, the process of disbursing incentives is yet to be notified. The Company has recognized grant income of Rs. 283 crores for the quarter ended 30 June 2018.

Similarly, the company had recognized an amount of Rs. 635 crores and Rs. 821 crores respectively for the quarter and year ended 31 March 2018, including an amount of Rs. 256 crores in relation to earlier quarters and Rs. 104 crores in respect of earlier years

(ii) Post the implementation of GST with effect from 1 July 2017, Revenue from operations is required to be presented net of GST. Accordingly, Revenue from operations for the quarter ended 30 June 2018 is not comparable to the quarter ended 30 June 2017.

4. 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.
5. The figures of the quarter ended 31 March 2018 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto third quarter of the relevant financial year.



6. Previous period/year figures have been re-grouped /re-classified 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 24 July 2018 and 25 July 2018 respectively. The Statutory Auditors have carried out a Limited Review of the results for the quarter ended 30 June 2018.

For JSW Steel Limited



Seshagiri Rao M.V.S

Jt. Managing Director & Group CFO

25 July 2018



**Limited Review Report****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 'Company') comprising its subsidiaries (together referred to as 'the Group') and its joint ventures, for the quarter ended 30 June 2018 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above and based on the consideration of the reports of other auditors on the unaudited separate quarterly financial results and on the other unaudited financial information of subsidiaries and joint ventures, 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 Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the financial results and other financial information considered in the preparation of the Statement, in respect of 5 subsidiaries, whose financial results reflect total revenues of Rs. 1,652 crores for the quarter ended 30 June 2018. These financial results and other financial information have been reviewed by other auditors and whose reports have been furnished to us by the management.

The Statement also includes the Group's share of net profit after tax of Rs. 3 crores for the quarter ended 30 June 2018 in respect of 3 joint venture, whose financial results and other financial information have been reviewed by other auditors and whose reports have been furnished to us by the management.



JSW Steel Limited  
Limited Review Report for the quarter ended 30 June 2018  
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Our conclusion, in so far as it relates to the affairs of such subsidiaries and joint ventures, is based solely on the report of other auditors. Our conclusion is not modified in respect of this matter.

6. We did not review the financial results and other financial information considered in the preparation of the Statement, in respect of 26 subsidiaries, which reflect total revenues of Rs. 18 crores for the quarter ended 30 June 2018. These financial results and other financial information have been certified by the management and have not been reviewed by other auditors.

The Statement also includes the Group's share of net profit after tax of Rs. 18 crores for the quarter ended 30 June 2018, in respect of 5 joint ventures, whose financial results and other financial information have not been reviewed by other auditors and are considered in the preparation of the Statement based on their interim financial results / information which are certified by the Management.

Our conclusion, in so far as it relates to the affairs of such subsidiaries and joint ventures, is based solely on the management accounts of these entities. Our conclusion is not modified in respect of this matter.

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



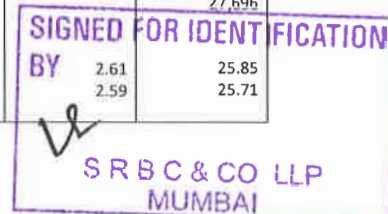
per Vikram Mehta  
Partner  
Membership No.: 105938



Mumbai  
25 July 2018

| Sr. No. | Particulars                                                                                                                             | Quarter ended |                             |               | Year ended    |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------------------|---------------|---------------|
|         |                                                                                                                                         | 30.06.2018    | 31.03.2018                  | 30.06.2017    | 31.03.2018    |
|         |                                                                                                                                         | Unaudited     | Audited<br>(refer note 5) * | Unaudited *   | Audited *     |
| I       | <b>Revenue from operations</b>                                                                                                          |               |                             |               |               |
|         | a) Gross sales                                                                                                                          | 19,950        | 20,442                      | 16,048        | 71,349        |
|         | b) Other operating income                                                                                                               | 569           | 894                         | 323           | 1,862         |
|         | <b>Total Revenue from operations</b>                                                                                                    | <b>20,519</b> | <b>21,336</b>               | <b>16,371</b> | <b>73,211</b> |
| II      | Other Income                                                                                                                            | 58            | 45                          | 41            | 167           |
| III     | <b>Total Income (I+II)</b>                                                                                                              | <b>20,577</b> | <b>21,381</b>               | <b>16,412</b> | <b>73,378</b> |
| IV      | <b>Expenses</b>                                                                                                                         |               |                             |               |               |
|         | a) Cost of materials consumed                                                                                                           | 10,661        | 10,761                      | 9,020         | 38,779        |
|         | b) Purchases of stock-in-trade                                                                                                          | 16            | -                           | -             | 2             |
|         | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                                                        | (464)         | 58                          | (777)         | 244           |
|         | d) Employee benefits expense                                                                                                            | 535           | 471                         | 469           | 1,843         |
|         | e) Finance costs                                                                                                                        | 887           | 883                         | 945           | 3,701         |
|         | f) Depreciation and amortisation expense                                                                                                | 905           | 865                         | 819           | 3,387         |
|         | g) Excise duty expenses                                                                                                                 | -             | -                           | 1,278         | 1,278         |
|         | h) Power and fuel                                                                                                                       | 1,608         | 1,515                       | 1,349         | 5,697         |
|         | i) Other expenses                                                                                                                       | 3,058         | 3,241                       | 2,415         | 10,574        |
|         | <b>Total expenses (IV)</b>                                                                                                              | <b>17,206</b> | <b>17,794</b>               | <b>15,518</b> | <b>65,505</b> |
| V       | <b>Profit before exceptional items and tax (III-IV)</b>                                                                                 | <b>3,371</b>  | <b>3,587</b>                | <b>894</b>    | <b>7,873</b>  |
| VI      | Exceptional Items                                                                                                                       | -             | -                           | -             | 264           |
| VII     | <b>Profit before tax (V-VI)</b>                                                                                                         | <b>3,371</b>  | <b>3,587</b>                | <b>894</b>    | <b>7,609</b>  |
| VIII    | <b>Tax expense</b>                                                                                                                      |               |                             |               |               |
|         | a) Current tax                                                                                                                          | 752           | 937                         | 189           | 1,826         |
|         | b) Deferred tax                                                                                                                         | 301           | (222)                       | 95            | (288)         |
| IX      | <b>Net Profit after tax for the period / year (VII-VIII)</b>                                                                            | <b>2,318</b>  | <b>2,872</b>                | <b>610</b>    | <b>6,071</b>  |
| X       | Share of profit from joint ventures (net)                                                                                               | 21            | 7                           | 14            | 42            |
| XI      | <b>Net Profit for the period / year (IX+X)</b>                                                                                          | <b>2,339</b>  | <b>2,879</b>                | <b>624</b>    | <b>6,113</b>  |
| XII     | <b>Other comprehensive income (OCI)</b>                                                                                                 |               |                             |               |               |
|         | (A) (i) Items that will not be reclassified to profit or loss                                                                           | (77)          | (206)                       | 9             | 87            |
|         | (ii) Income tax relating to items that will not be reclassified to profit or loss                                                       | 1             | (2)                         | 2             | 2             |
|         | (B) (i) Items that will be reclassified to profit or loss                                                                               | (302)         | (291)                       | (262)         | (425)         |
|         | (ii) Income tax relating to items that will be reclassified to profit or loss                                                           | 88            | 97                          | 97            | 150           |
|         | <b>Total other comprehensive income/(loss)</b>                                                                                          | <b>(290)</b>  | <b>(402)</b>                | <b>(154)</b>  | <b>(186)</b>  |
| XIII    | <b>Total comprehensive income for the period / year (Comprising Profit and Other comprehensive income for the period/year) (XI+XII)</b> | <b>2,049</b>  | <b>2,477</b>                | <b>470</b>    | <b>5,927</b>  |
| XIV     | <b>Net Profit / (loss) for the period/year attributable to:</b>                                                                         |               |                             |               |               |
|         | -Owners of the Company                                                                                                                  | 2,366         | 2,996                       | 626           | 6,214         |
|         | -Non-controlling interests                                                                                                              | (27)          | (117)                       | (2)           | (101)         |
|         |                                                                                                                                         | <b>2,339</b>  | <b>2,879</b>                | <b>624</b>    | <b>6,113</b>  |
| XV      | <b>Other comprehensive income / (loss)</b>                                                                                              |               |                             |               |               |
|         | -Owners of the Company                                                                                                                  | (269)         | (394)                       | (154)         | (184)         |
|         | -Non-controlling interests                                                                                                              | (21)          | (8)                         | -             | (2)           |
|         |                                                                                                                                         | <b>(290)</b>  | <b>(402)</b>                | <b>(154)</b>  | <b>(186)</b>  |
| XVI     | <b>Total comprehensive income / (loss) for the period/year attributable to:</b>                                                         |               |                             |               |               |
|         | -Owners of the Company                                                                                                                  | 2,097         | 2,602                       | 472           | 6,030         |
|         | -Non-controlling interests                                                                                                              | (48)          | (125)                       | (2)           | (103)         |
|         |                                                                                                                                         | <b>2,049</b>  | <b>2,477</b>                | <b>470</b>    | <b>5,927</b>  |
| XVII    | <b>Paid up Equity Share Capital</b><br>(face value of Re. 1 per share)                                                                  | 241           | 241                         | 240           | 241           |
| XVIII   | <b>Other Equity excluding Revaluation Reserves</b>                                                                                      |               |                             |               | 27,696        |
| XIX     | <b>Earnings per equity share (not annualised)</b>                                                                                       |               |                             |               |               |
|         | Basic (Rs.)                                                                                                                             | 9.84          | 12.45                       | 2.61          | 25.85         |
|         | Diluted (Rs.)                                                                                                                           | 9.79          | 12.40                       | 2.59          | 25.71         |

\* Restated refer note 1



## Notes

1. Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after 1 April 2018 replaces the existing revenue recognition standards. The application of Ind AS 115 did not have any significant impact on financial results of the Group. However, the Group has determined that, in case of certain contracts, shipping services provided to customers is a separate performance obligation and accordingly the revenue attributable to such shipping services has been recognised as revenue from operations, which was hitherto netted off against the corresponding freight expenses included as part of other expenditure in the above results. The Group has applied the full retrospective approach and restated the previous periods presented.

The restated revenue for the quarter ended 30 June 2017, quarter and year ended 31 March 2018 is higher by Rs. 394 crores, Rs. 519 crores and Rs. 1,708 crores respectively with the corresponding increase in Other expenses.

Further, the export benefits amounting to Rs. 103 crores for the quarter ended 30 June 2017, Rs. 104 crores and Rs. 450 crores for the quarter and year ended 31 March 2018 respectively which was earlier included as part of Revenue from operations has been reclassified to Other operating income.

The above adjustment has no impact on the profit and loss for the respective periods.

2. On 15 June 2018, the Company completed acquisition of 100% equity stake in Acero Junction Holdings, Inc (Acero) for a cash consideration of Rs. 536 crores. Acero, along with its wholly owned subsidiary JSW Steel USA Ohio, Inc (JSWSUO) (Formerly known as Acero Junction, Inc.). JSWSUO has steelmaking assets consisting of 1.5 MTPA electric arc furnace, 2.8 MTPA continuous slab caster and a 3.0 MTPA hot strip mill at Mingo Junction, Ohio in the United States of America.

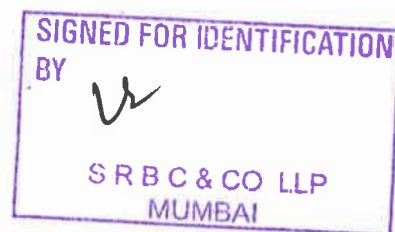
As per Ind AS 103, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities, and resultant goodwill of Rs. 89 crores has been recognised in the results after considering the related deferred tax liabilities (net) on the acquired assets and liabilities.

3. (a) The Group's units at Dolvi and Vijayanagar are eligible for VAT / CST deferral / refund scheme and have accounted for government grant on the basis SGST rates instead of VAT rates in accordance with the notification issued by the two states post implementation of GST. However, the process of disbursing incentives is yet to be notified. The Group has recognized grant income of Rs. 309 crores for the quarter ended 30 June 2018.

Similarly, the Group had recognized an amount of Rs. 665 crores and Rs. 897 crores respectively for the quarter and year ended 31 March 2018, including an amount of Rs. 258 crores in relation to earlier quarters and Rs. 104 crores in respect of earlier years.

(b) Post the implementation of GST with effect from 1 July 2017, Revenue from operations is required to be presented net of GST. Accordingly, Revenue from operations for the quarter ended 30 June 2018 is not comparable to the quarter ended 30 June 2017.

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. The figures of the quarter ended 31 March 2018 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto third quarter of the relevant financial year.
6. Previous period/year figures have been re-grouped /re-classified 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 24 July 2018 and 25 July 2018 respectively. The Statutory Auditors have carried out a Limited Review of the results for the quarter ended 30 June 2018.

For JSW Steel Limited



Seshagiri Rao M.V.S  
Jt. Managing Director & Group CFO  
25 July 2018



Press Release

July 25, 2018

JSW Steel reports results for the quarter ending June 30, 2018

Mumbai, India: JSW Steel Limited ("JSW Steel" or the "Company") today reported its results for the First Quarter ended 30th June, 2018 ("1Q FY2019" or the "Quarter").

Key Highlights:

- Consolidated Profit After Tax up 275% YoY to ₹2,339 crores
- Domestic Sales Volumes grew 27% YoY vs Indian demand growth of 9.2%
- Sales to Automotive segment grew by 57% YoY
- Resolution Plan submitted for Monnet Ispat and Energy Limited approved with modifications by the Mumbai bench of Hon'ble NCLT, written order is awaited
- Acquisition of Aferpi in Italy completed
- Completed acquisition of 100% shareholding of Acero Junction

Quarterly Performance:

Standalone:

- Crude Steel production: 4.11 million tonnes, up by 5%YoY
- Saleable Steel sales: 3.83 million tonnes, up by 9%YoY
- Revenue from operations: ₹18,964 crores, up by 23%YoY
- Operating EBITDA: ₹4,822 crores, up by 119%YoY
- Highest ever quarterly Net profit after tax: ₹2,338 crores, up by 458%YoY

Consolidated:

- Saleable Steel sales: 3.76 million tonnes, up by 11%YoY
- Revenue from operations: ₹20,519 crores, up by 25%YoY
- Operating EBITDA: ₹5,105 crores, up by 95%YoY
- Net profit after tax: ₹2,339 crores, up by 275%YoY

Operational performance:

The Company reported crude steel production for the quarter at 4.11 million tonnes, up 5% YoY, driven by higher utilisation at all locations. Standalone sales volume increased by 9% YoY to 3.83 million tonnes.

Indian witnessed a robust 9.2% YoY growth in domestic steel demand for the first quarter led by robust government spend on infrastructure and strong consumer demand. Consequently, the Company strategically increased domestic sales by 27% YoY, which aided consolidated sales volumes increasing by 11% YoY to 3.76 million tonnes. Moreover, sales to the strategic automotive segment increased by 57% YoY and sales of value added and special products (VASP) increased 6% YoY.

The details of production and sales volumes are as under:

| Particulars                    | (Million tonnes) |             | % YoY Growth |
|--------------------------------|------------------|-------------|--------------|
|                                | 1Q FY2019        | 1Q FY2018   |              |
| <b>Production: Crude Steel</b> | <b>4.11</b>      | <b>3.91</b> | <b>5%</b>    |
| <b>Saleable Steel:</b>         |                  |             |              |
| - Rolled: Flat                 | 2.73             | 2.57        | 6%           |
| - Rolled: Long                 | 0.87             | 0.75        | 16%          |
| - Semis                        | 0.23             | 0.18        | 27%          |
| <b>Total Sales</b>             | <b>3.83</b>      | <b>3.51</b> | <b>9%</b>    |

#### Standalone financial performance:

With a strong underlying demand and rising international prices, domestic steel prices too went up during the quarter. As a result, the Company recorded Revenue from operations for the quarter of ₹18,964 crores, which grew 23% YoY. Despite higher cost of key inputs like iron ore, coal, ferroalloys and Natural gas, Operating EBITDA for the quarter grew by 119% YoY to ₹4,822 crores and EBITDA margin stood at 25.4%. The net profit after tax stood at ₹2,338 crores for the quarter, a rise of 458% YoY.

Gearing (Net Debt to Equity) at the end of the quarter stood at 1.21x (as against 1.27x at the end of 4Q FY2018) and Net Debt to EBITDA stood at 2.20x (as against 2.59x at the end of 4Q FY2018).

#### Subsidiaries performance:

**JSW Steel Coated Products:** During the quarter, JSW Steel Coated Products registered a production (Galvanized/Galvalume products) of 0.43 million tonnes and sales volume of 0.43 million tonnes. It reported revenue from operations and Operating EBITDA for the quarter at ₹3,031 crores and ₹122 crores, respectively. Net Profit after Tax stood at ₹42 crores for the quarter.

**US Plate and Pipe Mill:** The US based Plate and Pipe Mill facility produced 80,777 net tonnes of Plates and 14,021 net tonnes of Pipes, reporting a capacity utilisation of 35% and 10%, respectively, during the quarter. Sales volumes for the quarter stood at 65,809 net tonnes of Plates and 14,574 net tonnes of Pipes. It reported an EBITDA of \$10.69 million for the quarter.

#### Consolidated financial performance:

Aided by an all-round strong performance, JSW Steel recorded Revenue from operations of ₹20,519 crores for the quarter, a growth of 25% YoY. Consolidated Operating EBITDA for the quarter improved by 95%YoY to ₹5,105 crores and EBITDA margin stood at 24.9%. The net profit after tax increased to ₹2,339 crores for the quarter after incorporating the financials of subsidiaries and joint ventures.

Net gearing (Net Debt to Equity) at consolidated level was 1.32x at the end of the quarter (as against 1.38x at the end of 4Q FY2018). Net Debt to EBITDA at a consolidated level stood at 2.26x (as against 2.57x at the end of 4Q FY2018).

The Company's net debt increased by ₹1,070 crores during the quarter, primarily due to a ₹865 crores mark to market impact of Rupee depreciation. The weighted average interest cost during the quarter stood at 7.09%.

#### Update on Strategic Acquisitions:

Monnet Ispat and Energy Limited: The resolution plan submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited, for acquisition of Monnet Ispat and Energy Limited under the corporate insolvency resolution process has been approved by the Mumbai bench of the Hon'ble National Company Law Tribunal (NCLT) with certain modifications and the written order is awaited.

Acero Junction Holdings Inc: The Company has completed the acquisition of 100% shareholding in Acero Junction Holdings Inc. at Ohio in USA. The work to commence production is underway and the Company plans to start operations by October 2018.

Aferpi: The Company has concluded the acquisition of 100% shares of Aferpi S.p.A., Piombino Logistics S.p.A. and 69.27% of the share capital of GSI Lucchini S.p.A. in Italy. This 1.3 MTPA rolling facility is expected to commence operations by the next quarter.

#### Projects and Capex update:

All the key projects viz. augmenting crude steel capacity at Dolvi works to 10.7 MTPA, revamping and capacity up-gradation of BF-3 & capacity expansion of CRM-1 complex at Vijayanagar works, modernization-cum-capacity enhancement at downstream facilities of JSW Steel Coated Products and strategic cost savings projects are progressing satisfactorily for commissioning as per schedule.

#### Outlook:

Global growth outlook remains strong, with the IMF maintaining 2018 expected growth at 3.9%. Escalating trade tensions do pose risks to the growth outlook. US growth momentum remains strong driven by fiscal stimulus, strong labour markets and high consumer demand. Increasing political uncertainty and trade fears risk are dragging Euro area recovery, despite accommodative monetary stance. Notwithstanding 1Q CY2018 weakness, Japan's growth is expected to strengthen supported by rising investments, budgetary support and stronger private consumption. Despite concerns over moderation in external demand and regulatory tightening of financial sector, China's growth rate expected to soften in an orderly manner.

Earlier this year, the World Steel Association (WSA) forecasted global steel demand to reach 1,616 million tonnes in 2018, an increase of 1.8% over 2017, with no growth in China and a 5.5% expected growth in India. However, for the first six months of 2018 i.e. 1H CY2018 period, both China and India have witnessed an apparent steel consumption growth in excess of 8%YoY. Hence, global steel demand is outpacing expected growth rates. Chinese production continues to remain strong, with moderate monthly net exports.

In India, as government spending on infrastructure remains robust, the Gross Fixed Capital Formation (GFCF) rate continues to exhibit an increasing momentum. Vehicle production and consumer durable sales remain robust driven by high consumer demand. Rural demand momentum is likely to sustain on the back of higher disposable income from higher MSPs and even normal monsoon. Industrial Production momentum remain weak, however, manufacturing PMI seems to be picking up. Inflation continues to harden with rising input prices and rates cycle has an upward bias. Higher oil prices, surging inflation, tight liquidity conditions and likely interest rate hikes pose risks to the growth outlook.

Steel demand in 1Q FY2019 grew at a healthy rate of 9.2% YoY. However, imports of steel into the country surged by 15% YoY. As imports continue to increase and exports decline, India turned a net importer of steel in 1Q FY2019 after a gap of over three years. Imports from Korea and Japan increased by 31% YoY and constituted ~ 52% of total imports into the country.

Post the imposition of Section 232 in the US and suo moto safeguard measures announced by the EU, we have started witnessing diversion of steel imports from steel surplus countries into India. This necessitates imposition of effective trade remedial measures in a timely manner by the Government of India.

*About JSW Steel: JSW Steel is a part of the diversified US\$ 13 billion JSW Group, which has a presence in Steel, Energy, Infrastructure, Cement, Ventures and Sports. JSW Steel is the leading integrated steel company with an installed steel-making capacity of 18 MTPA in India. JSW Steel's plant at Vijayanagar in Karnataka, is the largest single location steel producing facility in the country with a capacity of 12 MTPA.*

#### 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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