

WHAT OTHERS CALL
DREAMS WE CALL
DELIVERABLES



Q3 FY10

Agenda

Economic Scenario

Steel Scenario

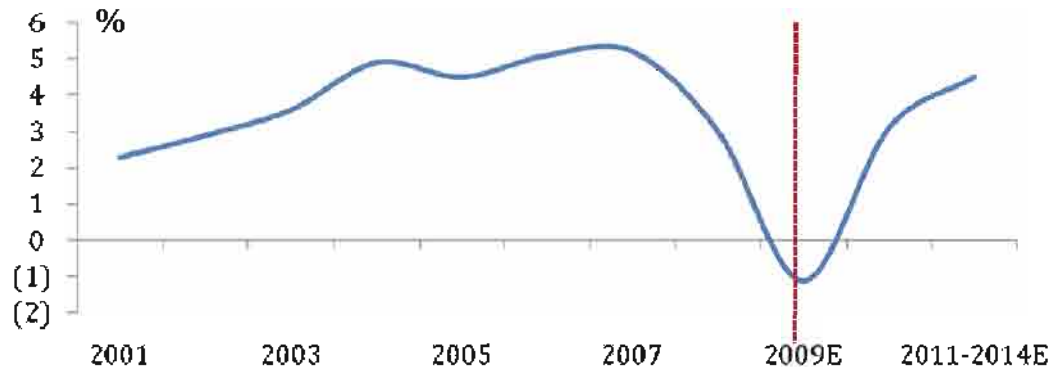
Operating Highlights

Financial Performance

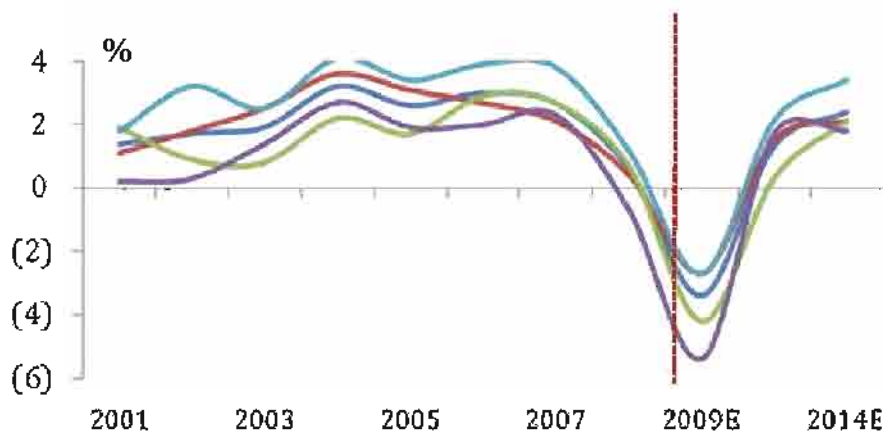
Project Progress

World GDP On An Uptick

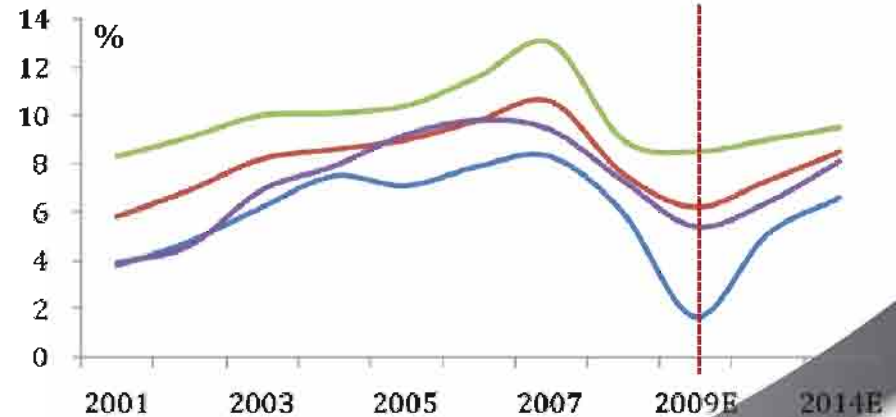
Global GDP set to recover as.....



Developed world recovers and.....



Emerging markets continue their robust growth



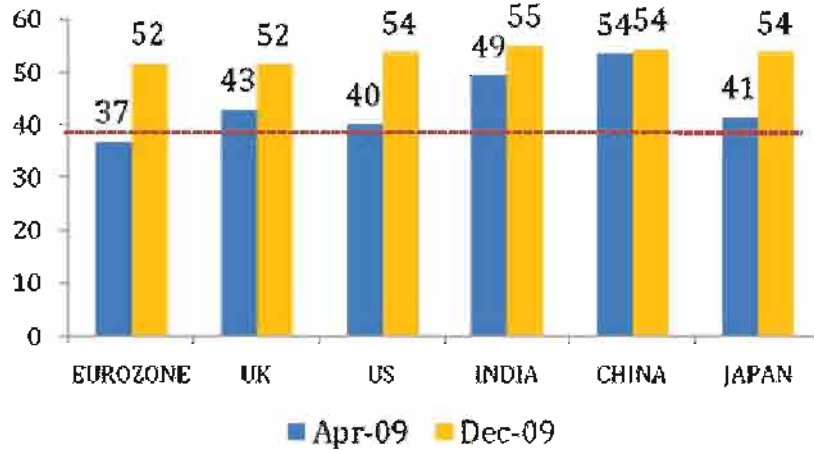
Advanced Economies US Euro Area Japan Others

Emerging economies China Developing Asia India

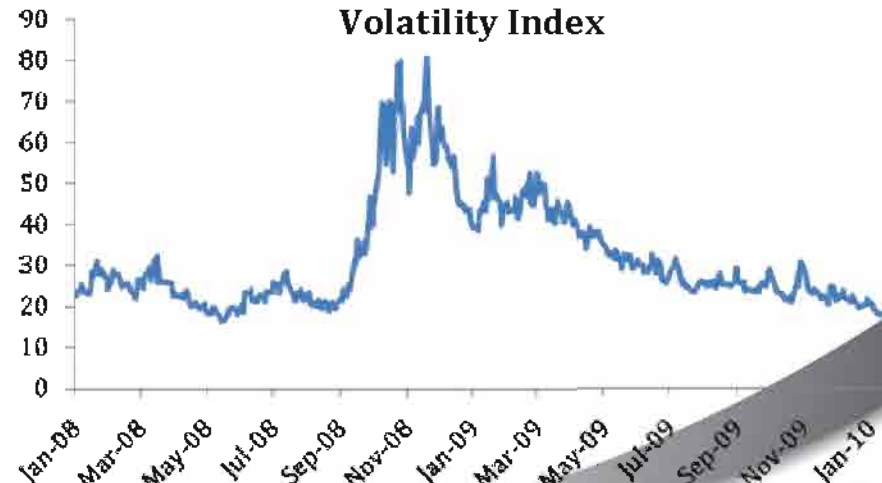
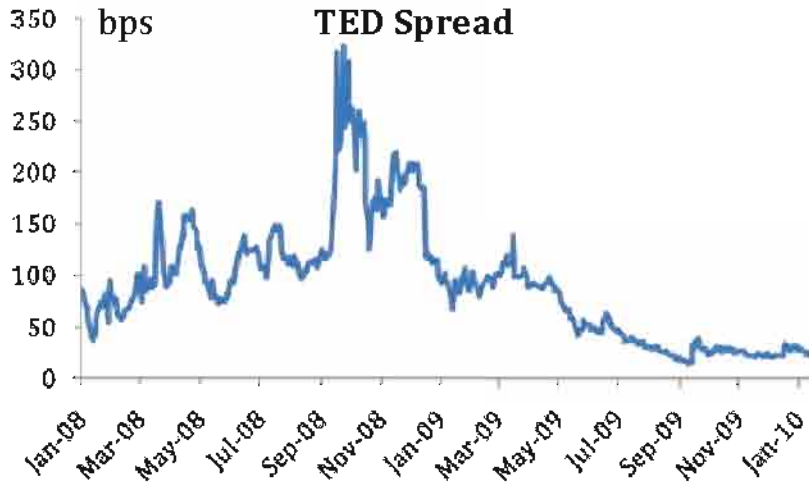
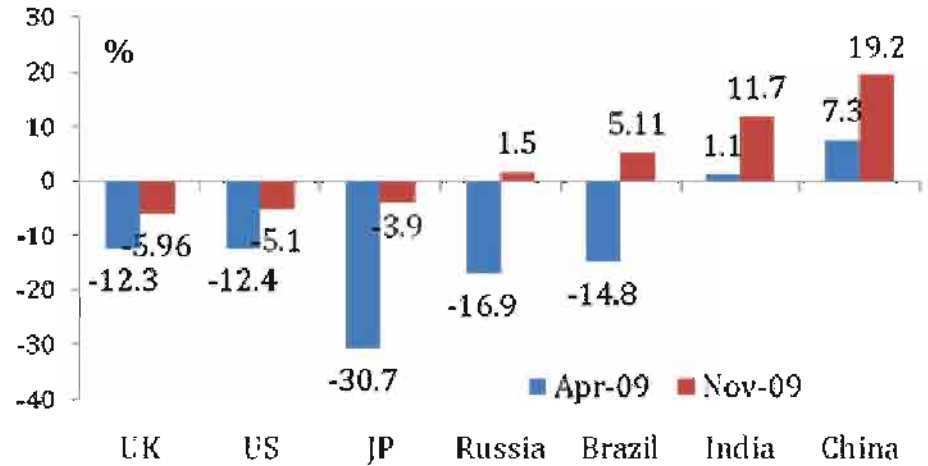
Source : IMF

Economic Indicators On Positive Trend

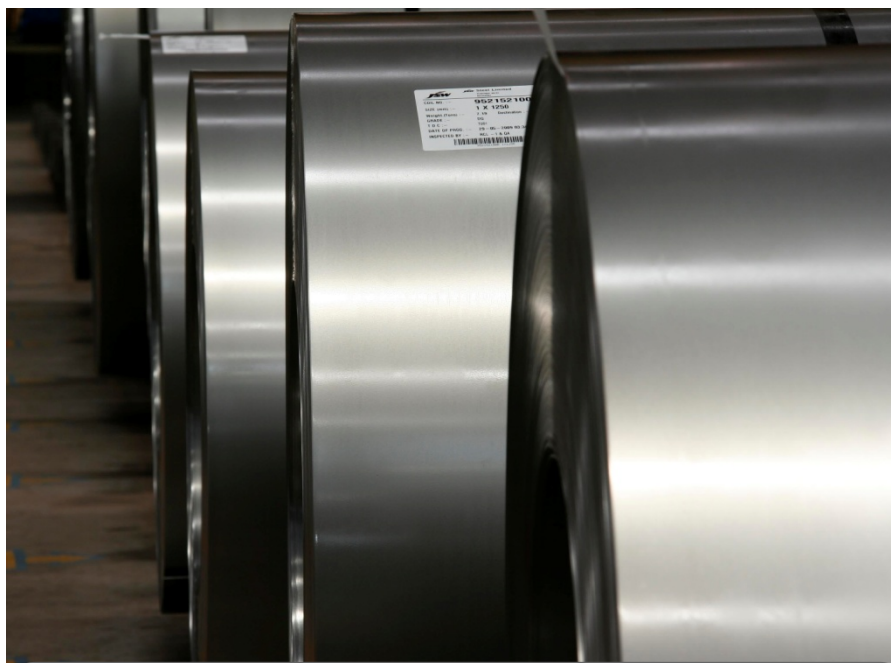
Major economies PMI above 50 indicates improving confidence.



Significant improvement in IIP across economies



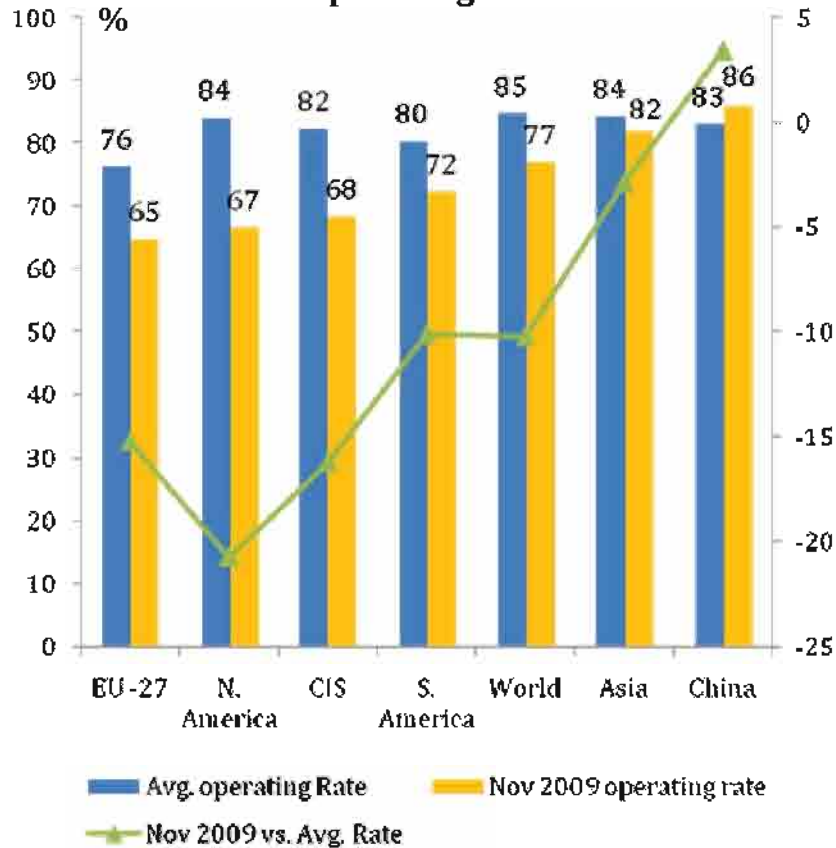
Source : Reuters/ Economist



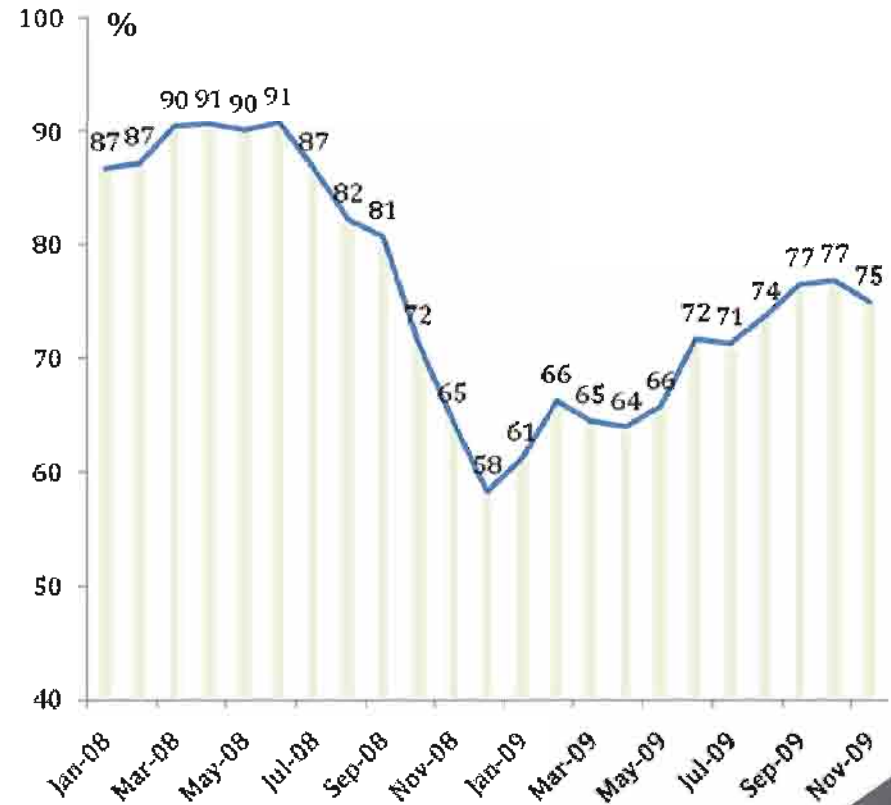
Steel Scenario

Strong Steel Production

November Operating rate close to Avg. operating rate



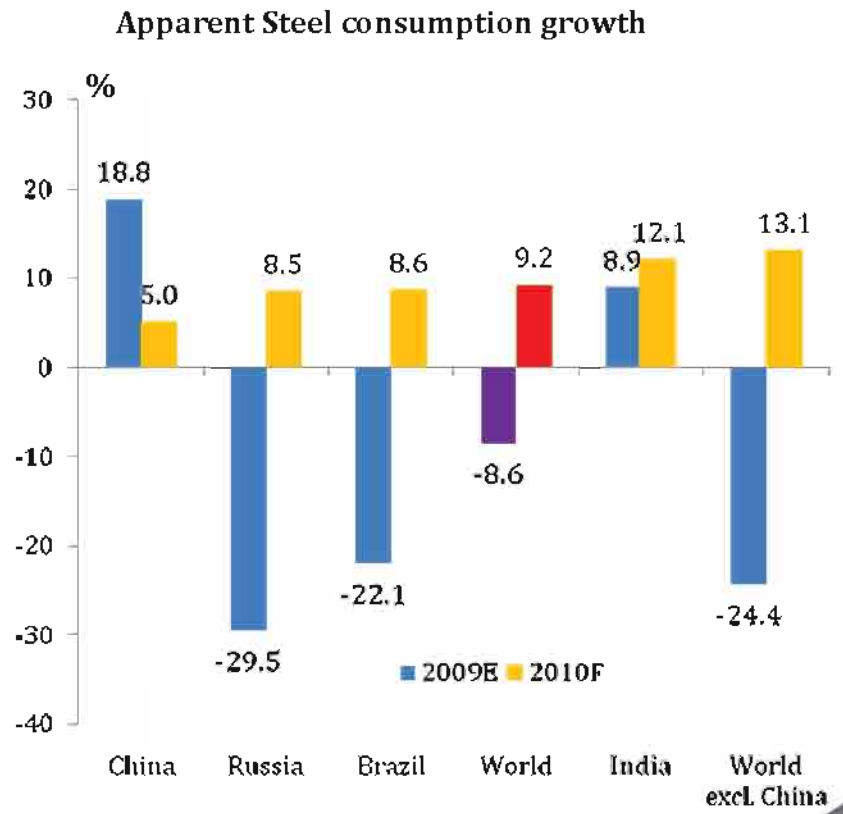
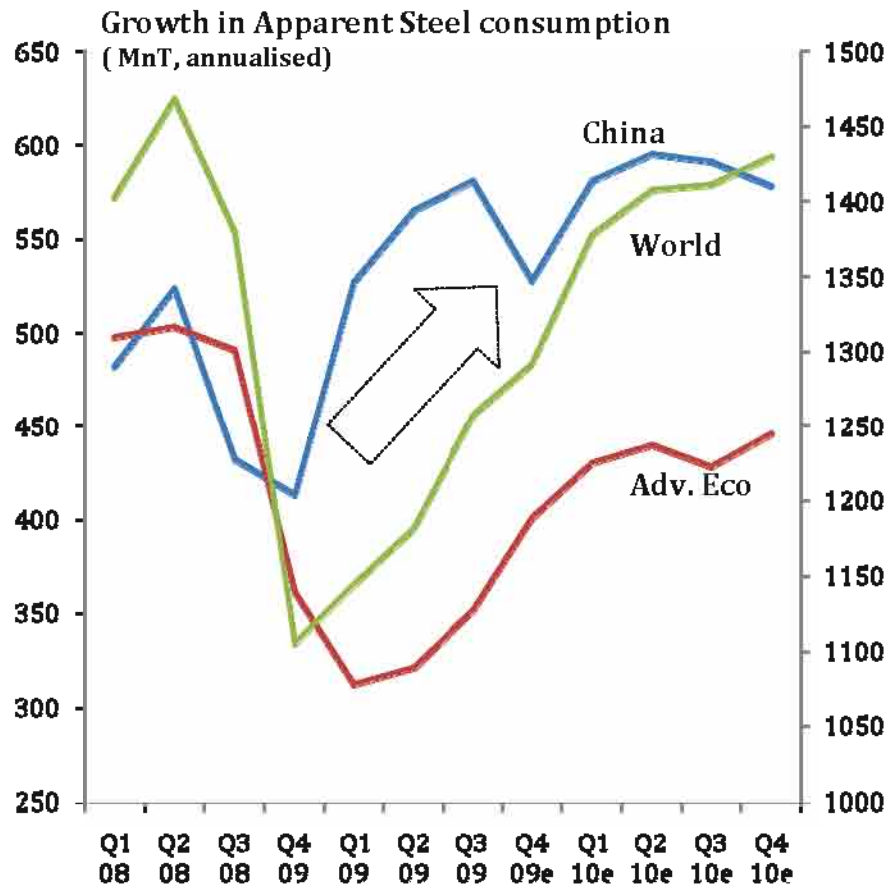
World Steel Capacity Utilisation on rise



Avg. operating rate is for the period from 1990 to present.

Source : World Steel/ Citi

Strong Consumption Growth Achieved In H2 2009 And Expected To Continue In 2010



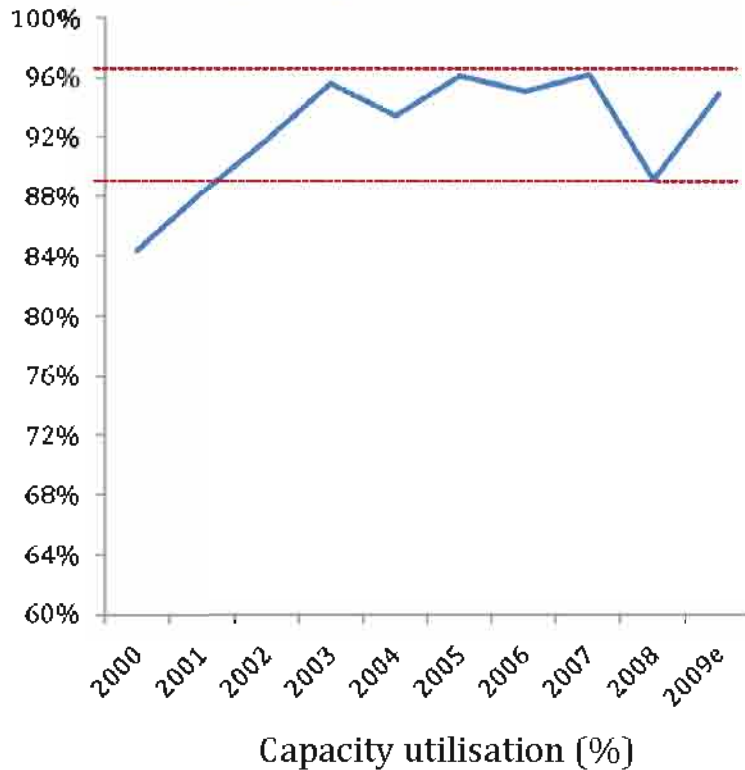
WSA forecasts strong world steel consumption growth of 9.2 % in 2010

Source: WSD/WSA

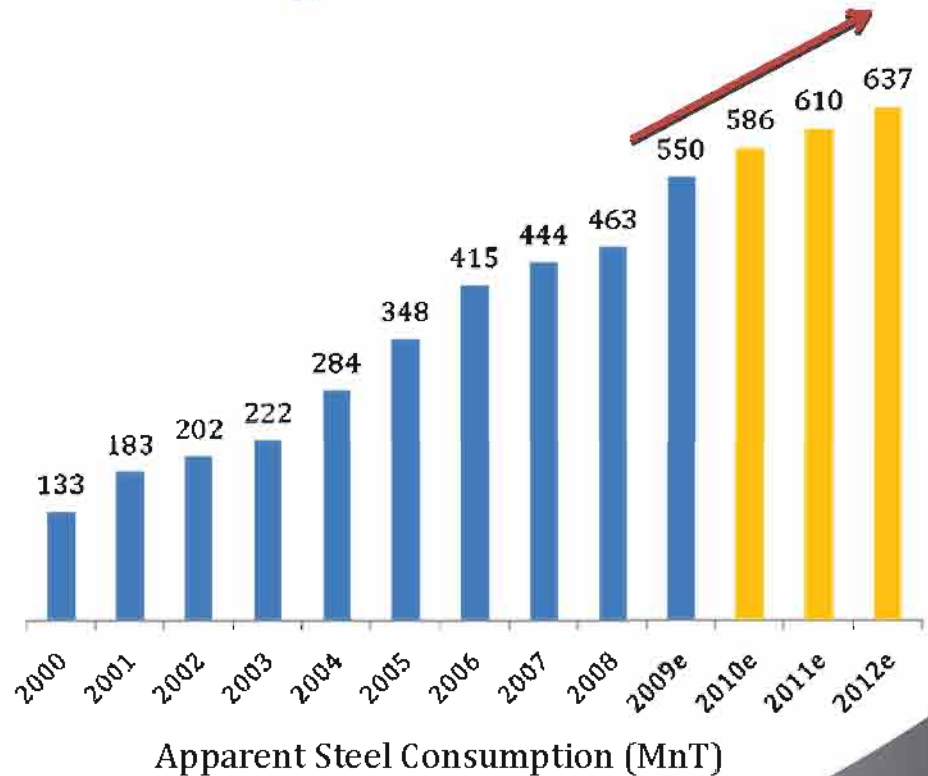


China Steel: Utilisation And Consumption

Steel Plants running at high capacity utilisation rate...



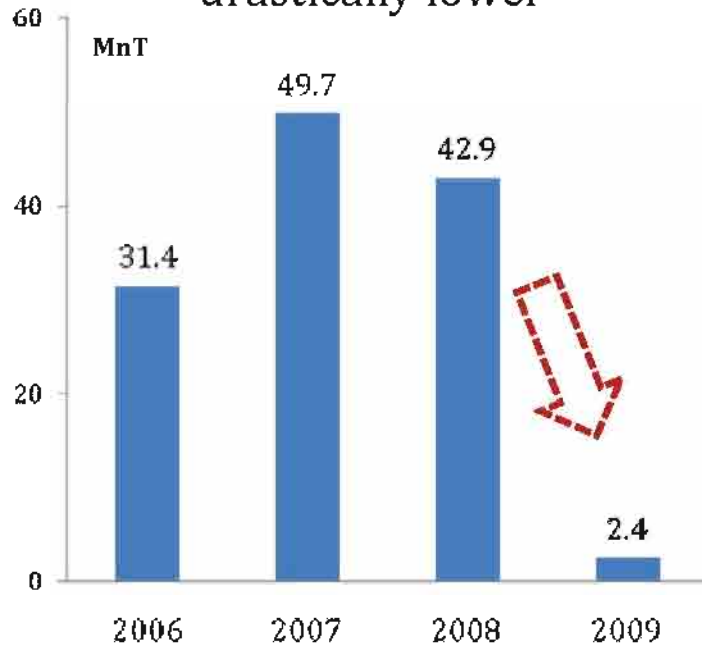
... but Strong Consumption growth to continue



Source: WSD

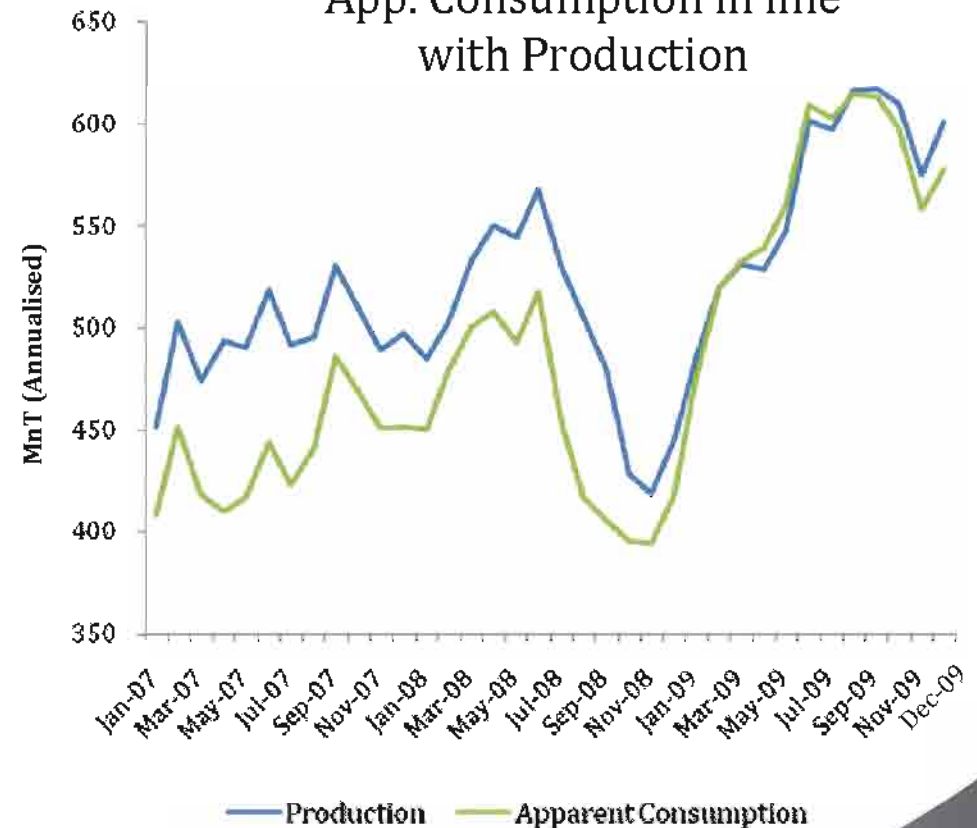
Decline In Chinese Net Export

Y-o-Y Net Steel Exports drastically lower



Net Steel Exports (MnT)

App. Consumption in line with Production

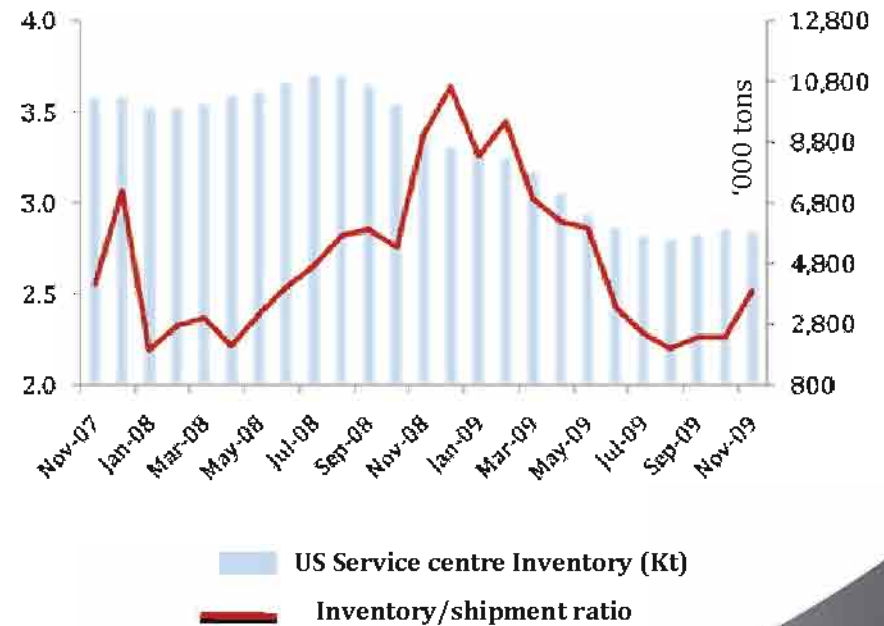


End Of Destocking To Lead Demand Improvement In Advanced Economies

German Flat steel Inventory and I/S ratio



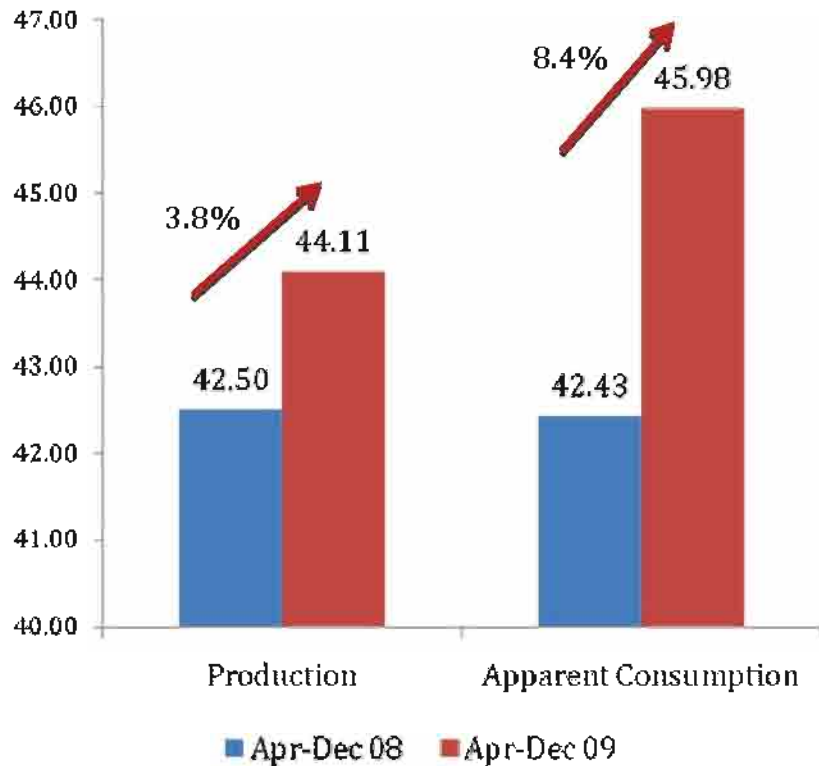
US Service centre Inventory and I/S ratio



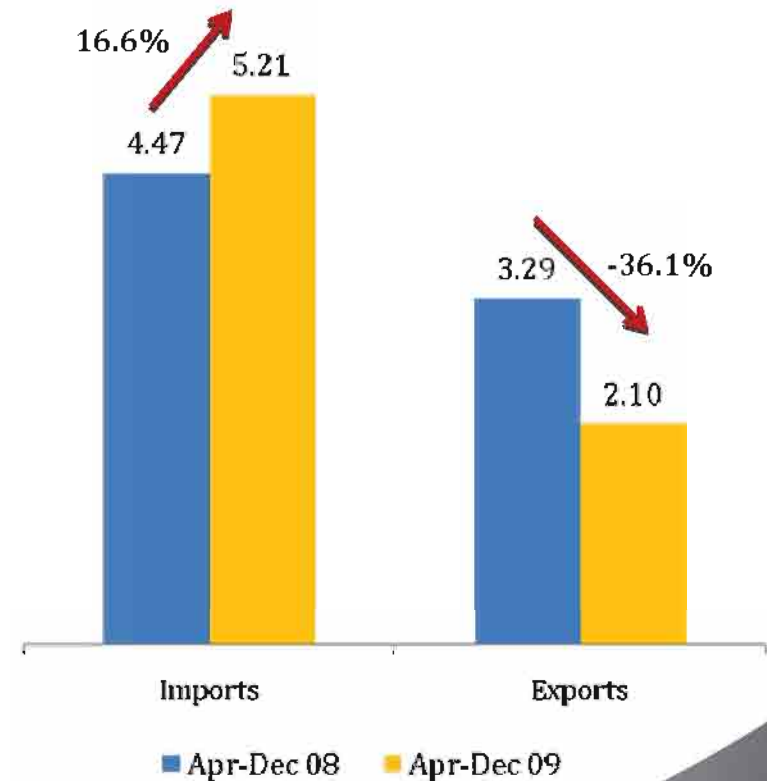
Source: CRU/MSCI

India's Steel Consumption Ahead Of Production

Steel Production vs. Consumption (MnT)

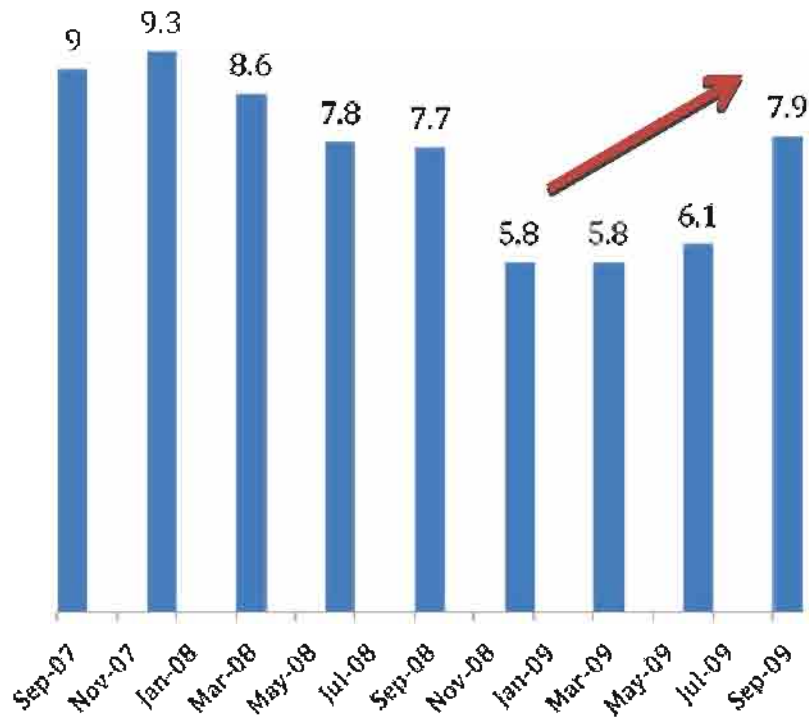


Steel Imports vs. Exports (MnT)

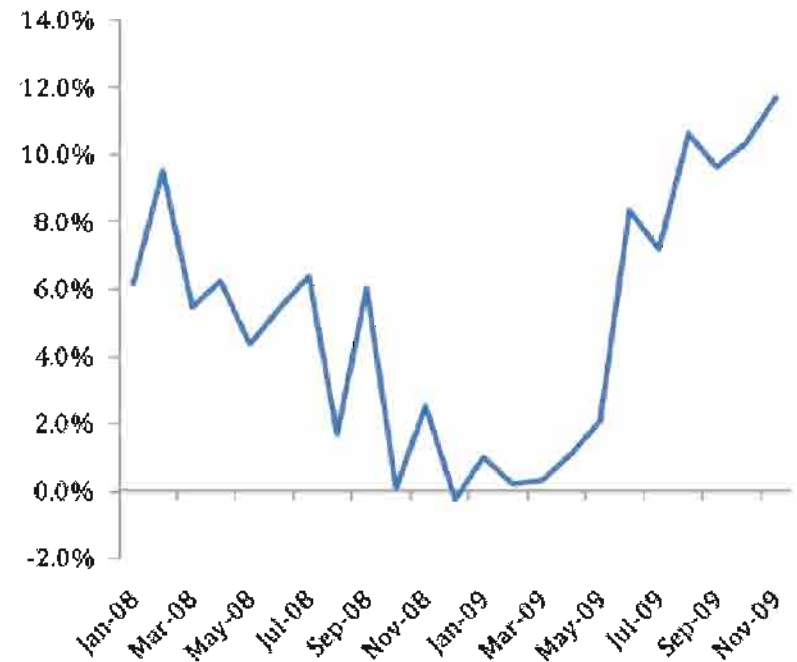


India's Resilience Continues

India's GDP Growth (%)



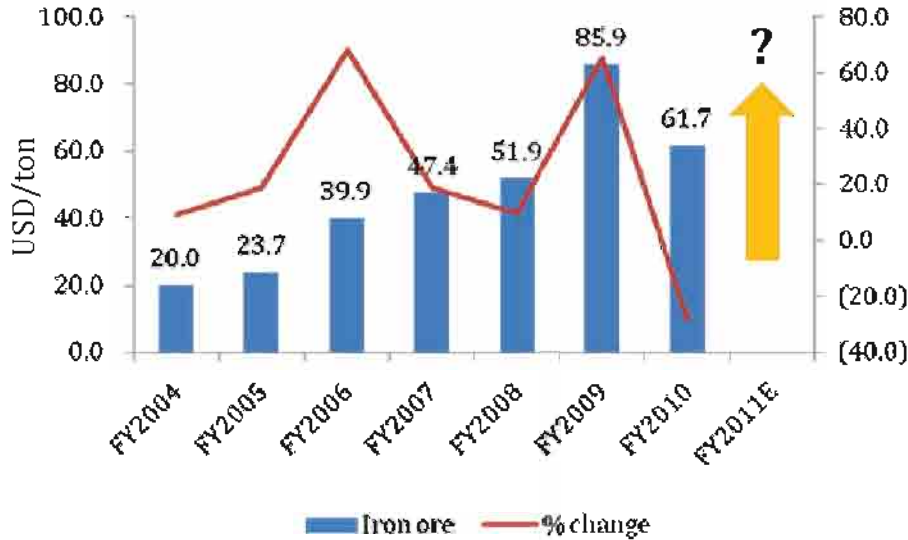
Industrial Production Growth (% change y-o-y)



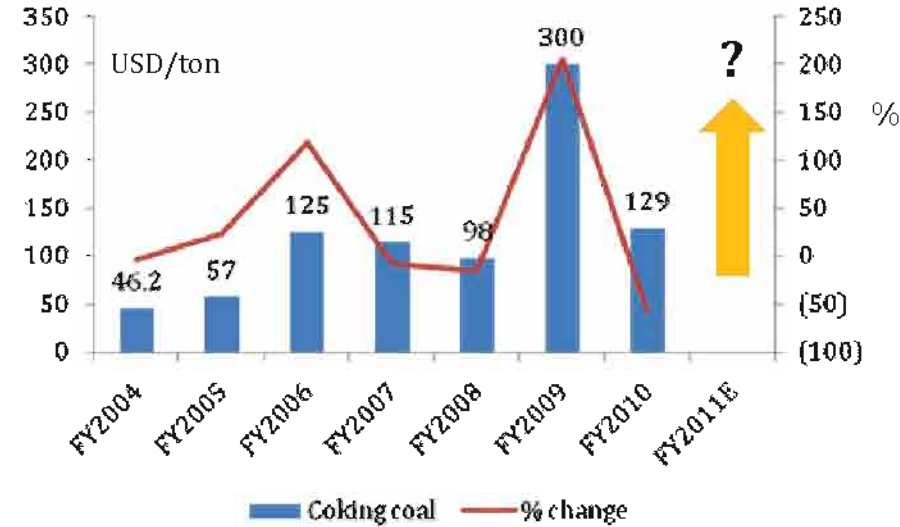
Source: Reuters

Cost Push By Input Raw Materials

Iron ore price movement



Coking Coal price movement



Scrap price movement

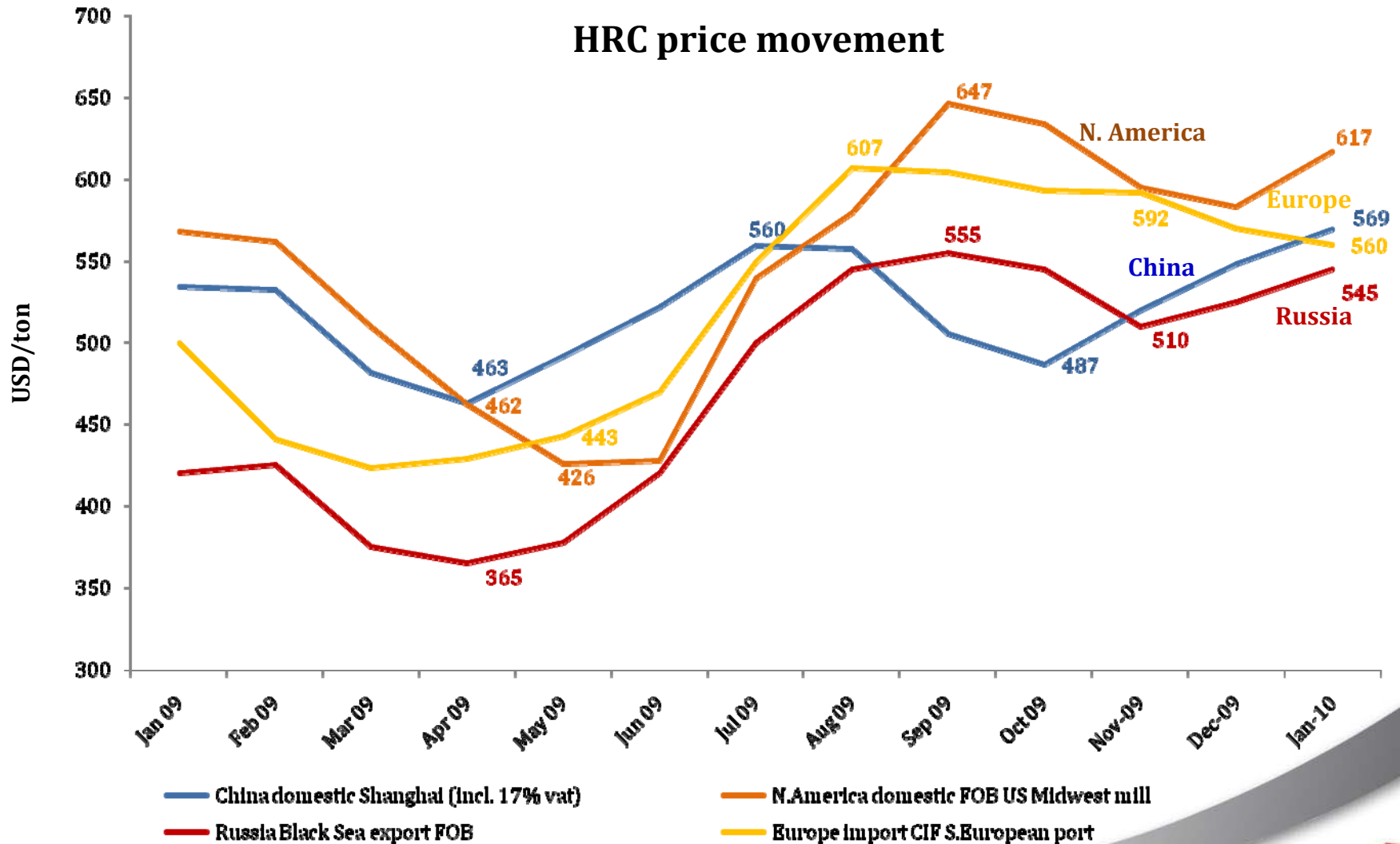


Higher raw material prices will lead to cost push

Source: WSD/ WSA

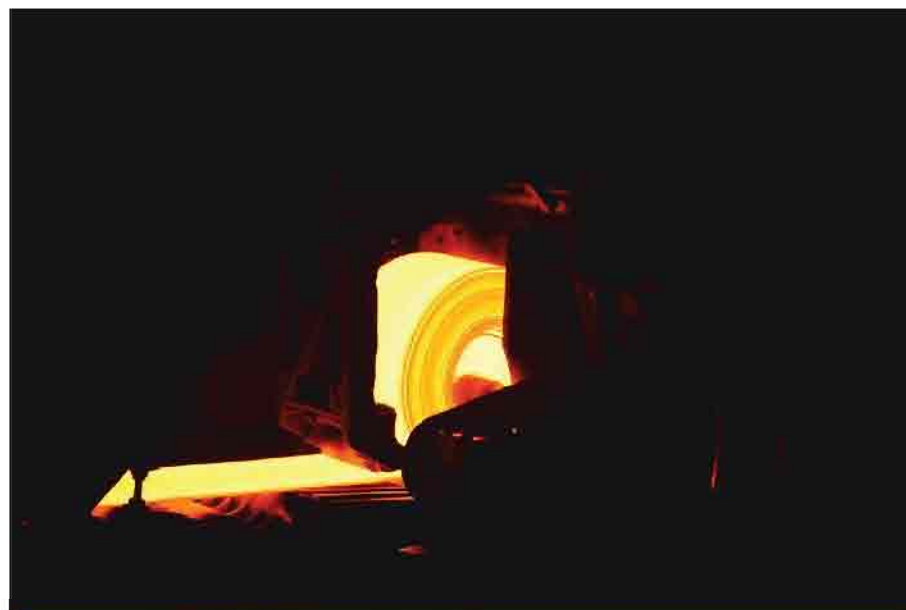


Steel Prices To Remain Firm



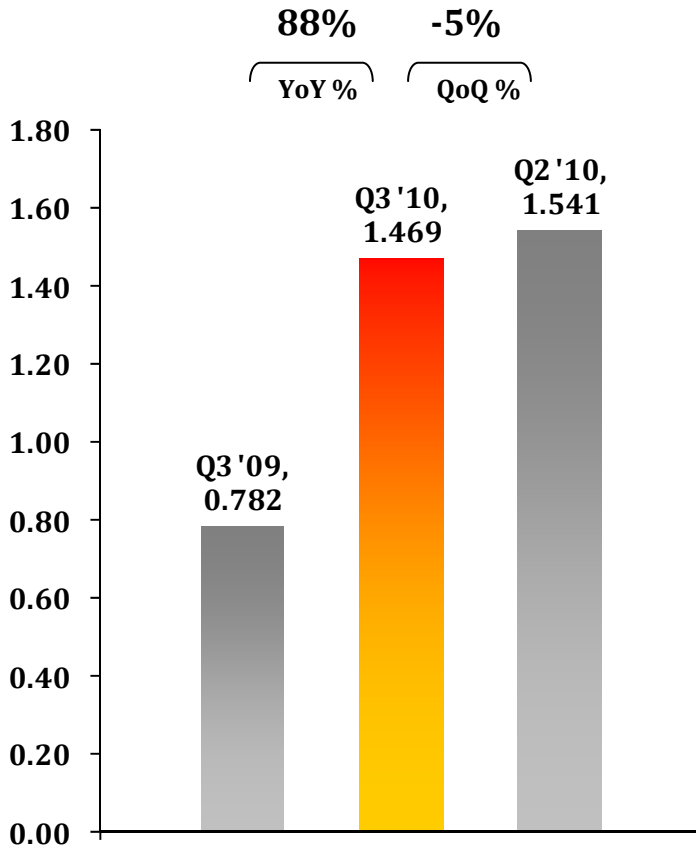
Source: SBB





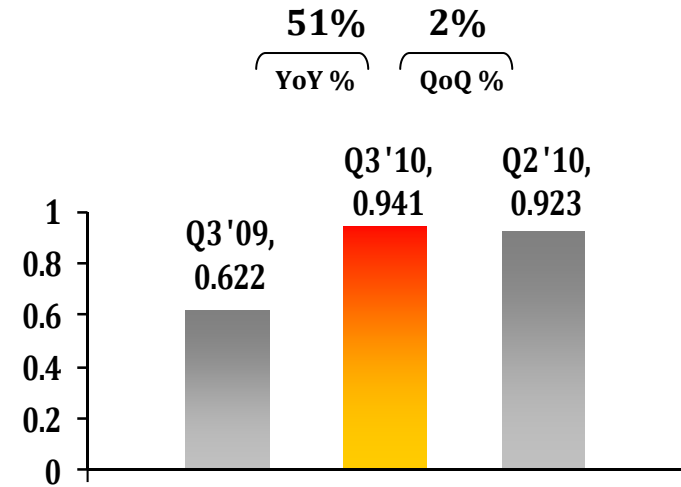
Operating Highlights

Production - Q3 FY 10

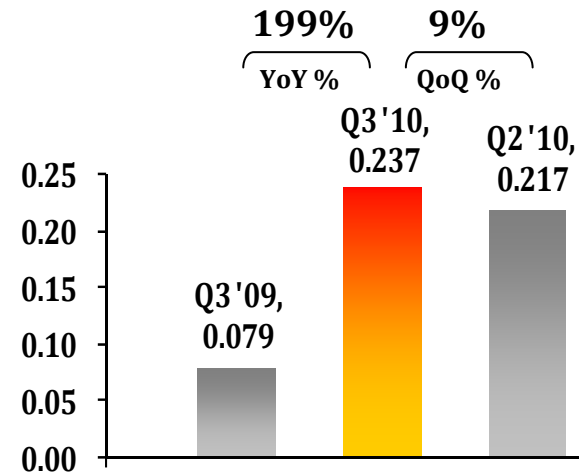


Crude Steel

All no. are in Mn Tonnes

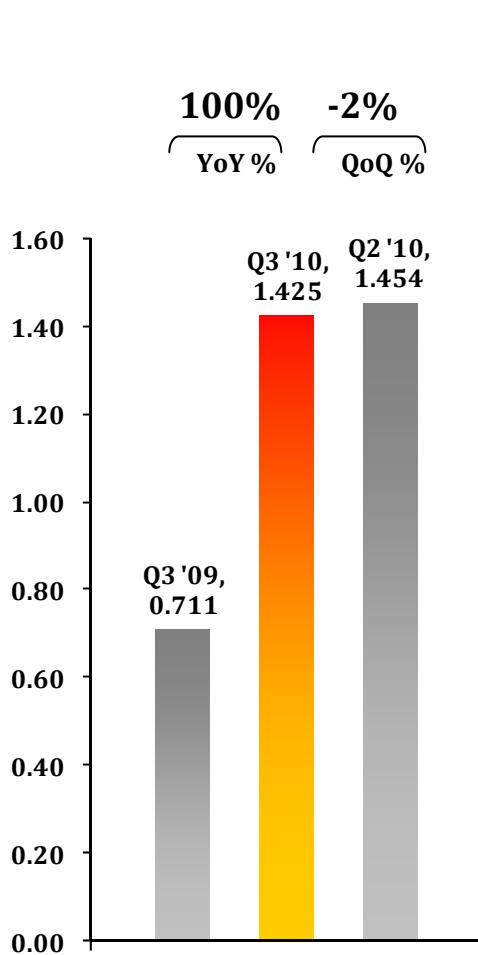


Rolled : Flat



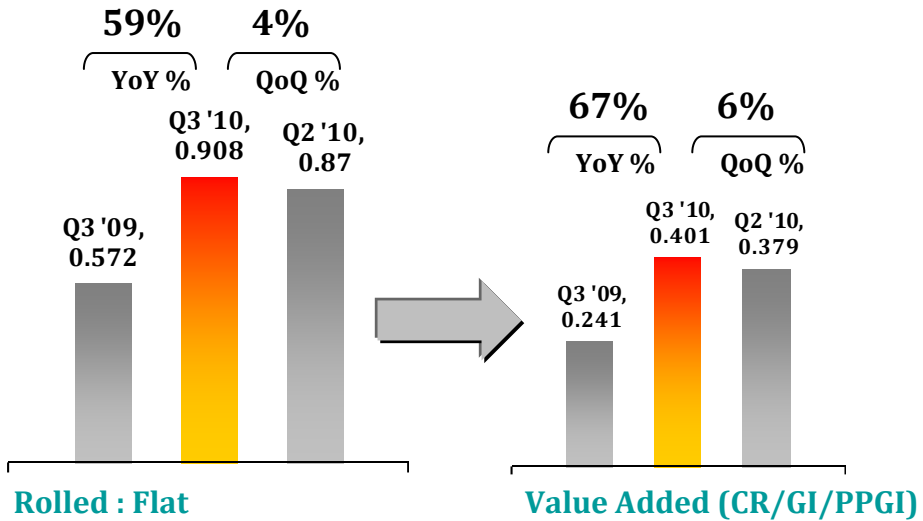
Rolled : Long

Saleable Steel Sales – Q3 FY 10



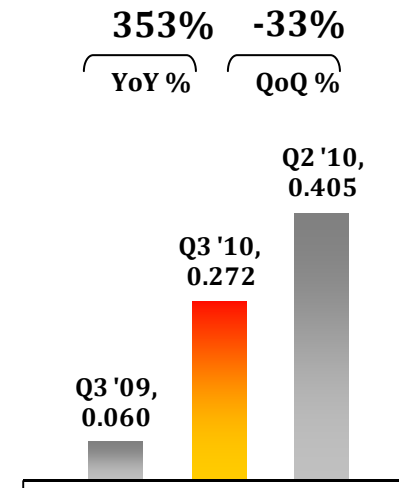
Total Sales

All no. are in Mn Tonnes

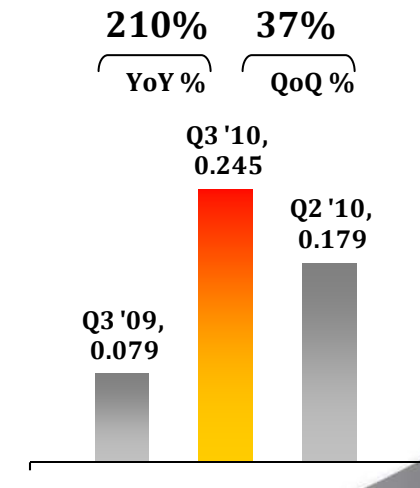


Rolled : Flat

Value Added (CR/GI/PPGI)



Semis

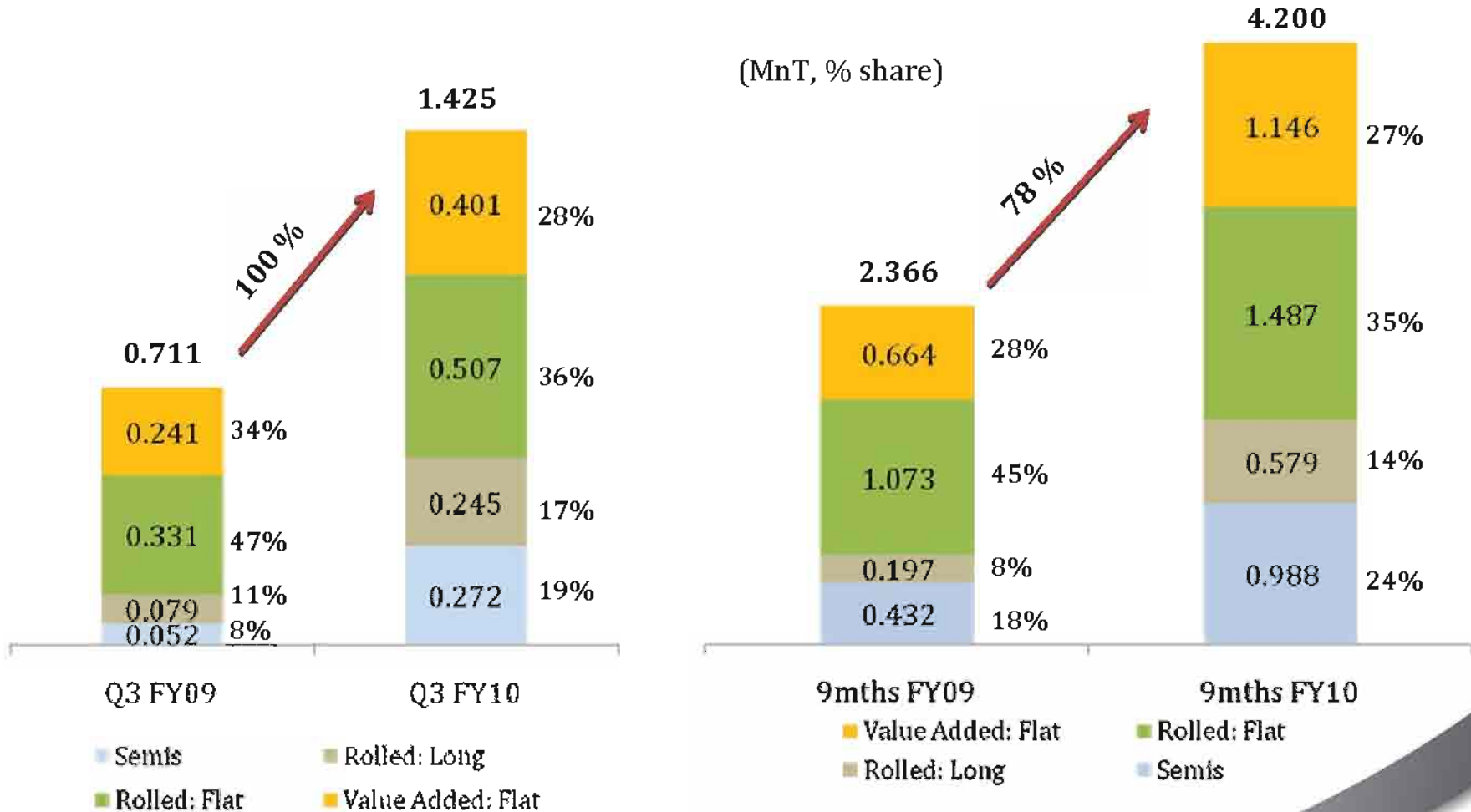


Rolled : Long

Product Mix- Q3 And 9mths FY10

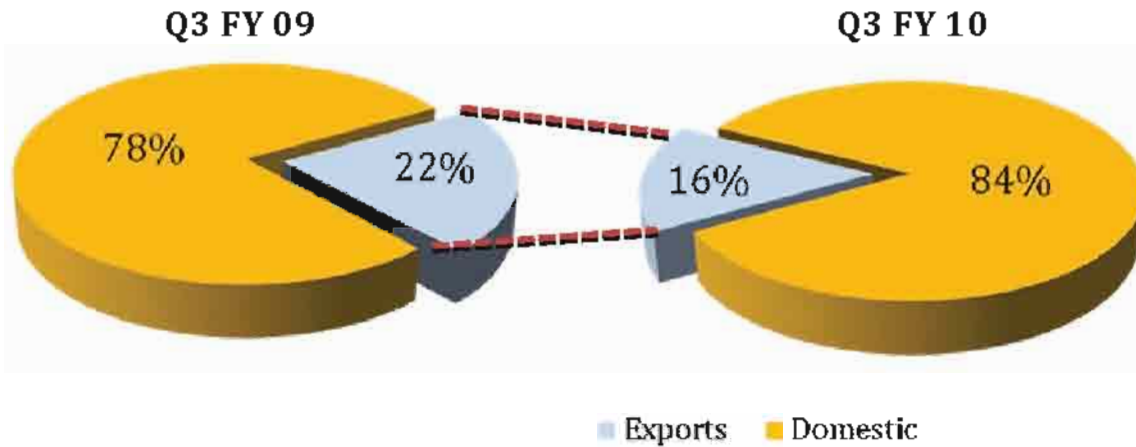
Saleable Steel Sales

(MnT, % share)

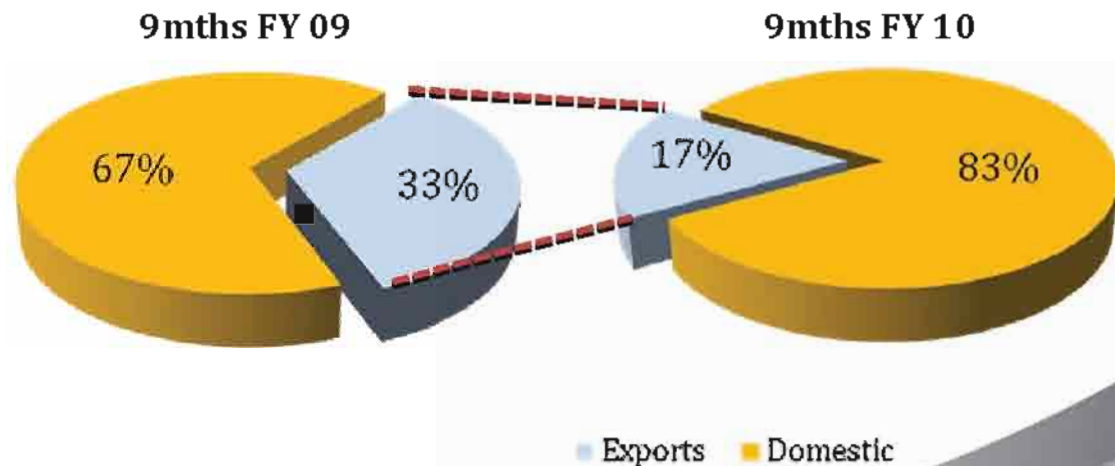


Domestic And Export Mix

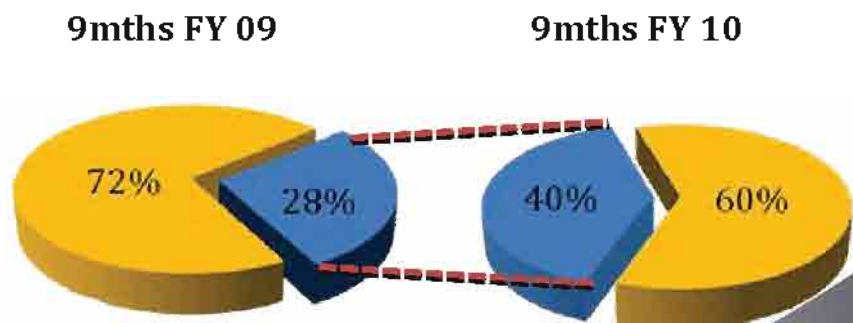
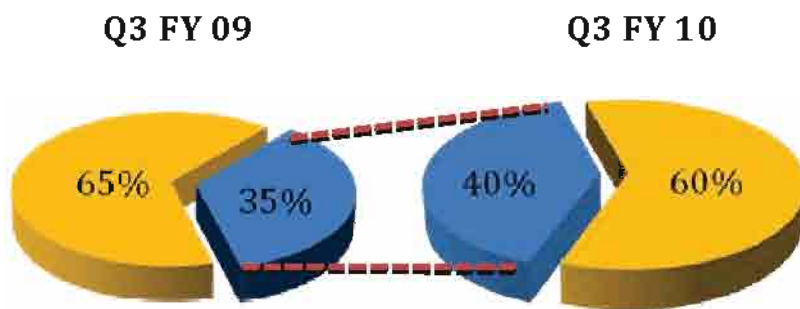
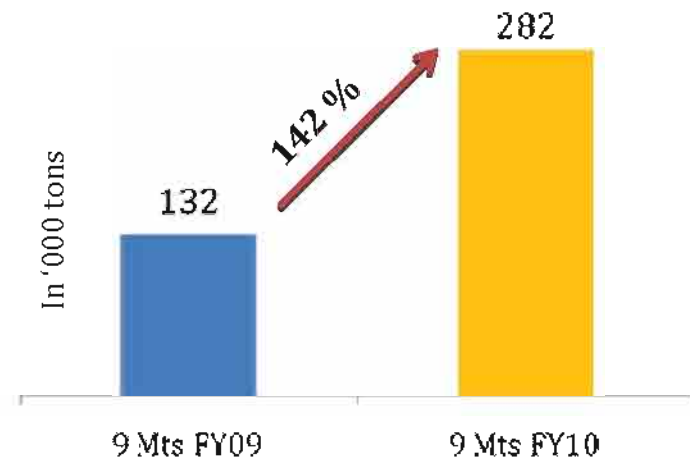
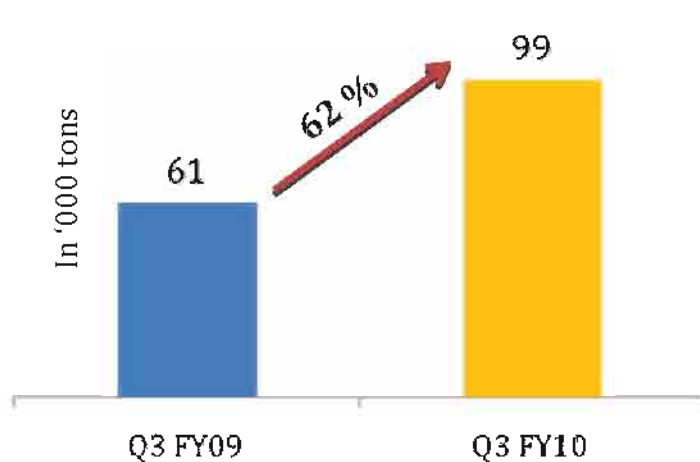
% share



% share



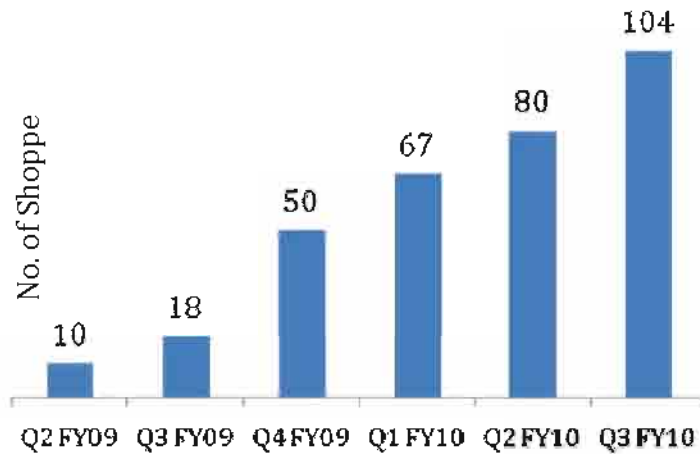
Sale Of Branded Coated Products (Flats)



■ Branded Sales ■ Others

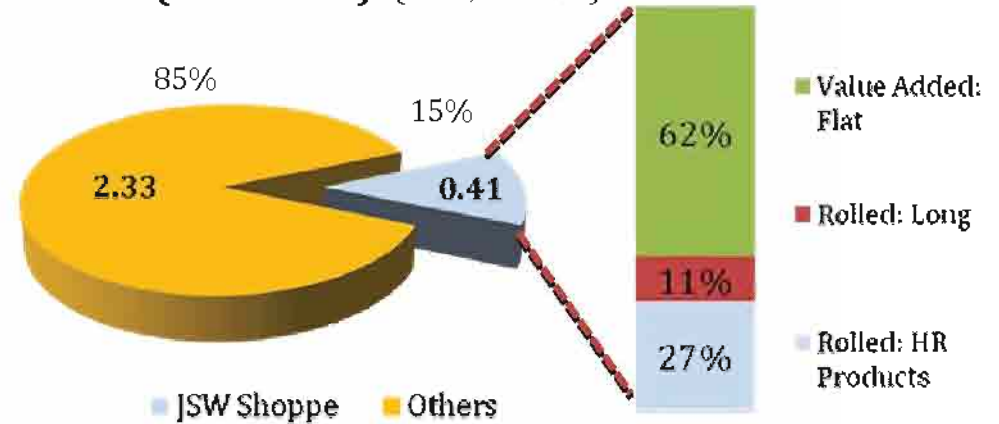
Retail Sales (Domestic)

JSW Shoppe

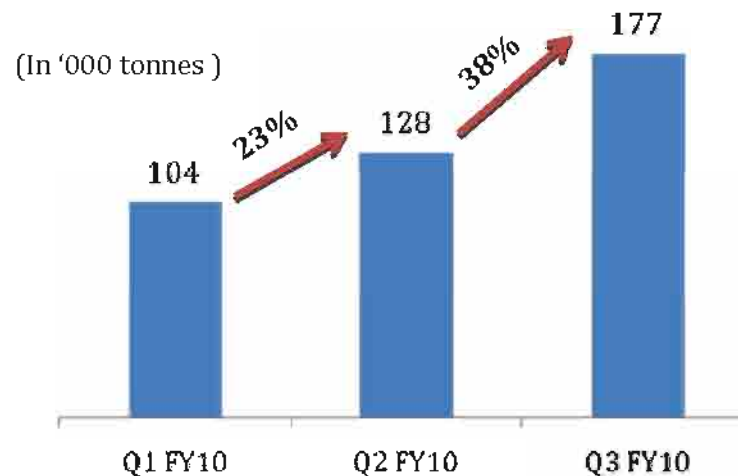


% Share through JSW Shoppe – 9mths FY10

(Excl. Semis) (MnT, %Share)



Sales through JSW Shoppe





Financial Performance

Key Highlights

Particulars	Q3'10	Q3'09	Growth over
			Q3'09
Volume (Mn t) : Crude Steel Production	1.469	0.782	88 %
: Saleable Steel Sales	1.425	0.711	100 %
Net Sales (Rs. crs)	4,588	2,786	65 %
Blended (Rs./t) : Sales Realisation	29,953	34,946	- 14 %
: Cost of Production	21,669	31,193	- 31 %

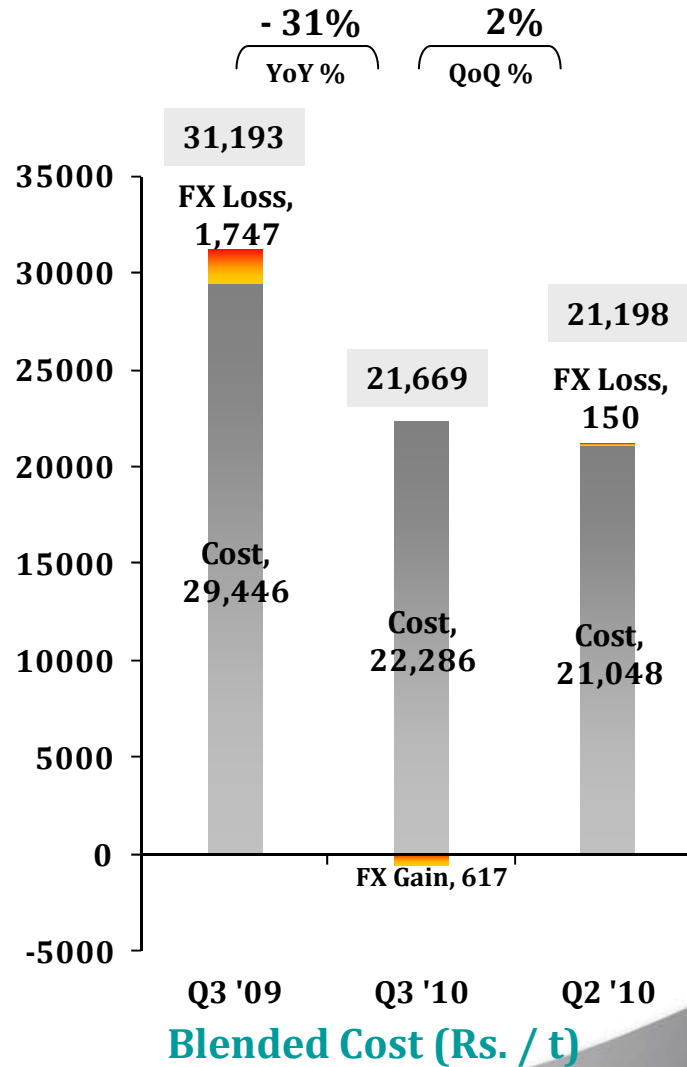
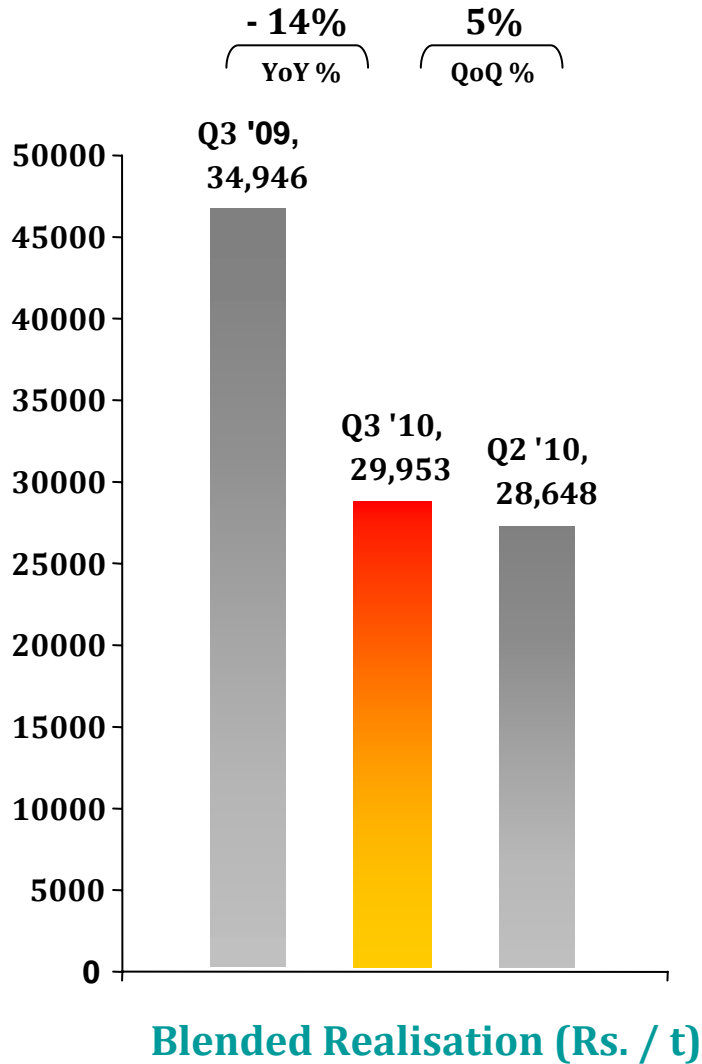
EBITDA (Rs. crs)	1,222	433	182 %
EBITDA Margin (%)	26.5 %	15.3%	
Profit before tax (Rs. crs)	718	(191)	
Net Profit after tax (Rs. crs)	514	(128)	

Highlights 9mths FY10

Particulars	9mths FY10	9mths FY09	Growth over 9mths FY09
Volume (Mn t) : Crude Steel Production	4.386	2.758	59 %
: Saleable Steel Sales	4.200	2.366	78 %
Net Sales (Rs. crs)	13,035	10,726	22 %
Blended (Rs./t) : Sales Realisation	28,623	41,267	- 31 %
: Cost of Production	21,017	32,836	- 36 %

EBITDA (Rs. crs)	3,379	2,589	30 %
EBITDA Margin (%)	25.8 %	23.9%	
Profit before tax (Rs. crs)	1,872	602	211 %
Net Profit after tax (Rs. crs)	1,306	409	219 %

Sales Realisation v/s Cost of Production – Q3 FY 10



Financials – Q3 FY 10

Rs. Cr.

	Q3 FY 10	Q3 FY 09
Gross Turnover	4,889.41	3,055.34
EBITDA	1,222.15	433.48
EBITDA Margin	26.5%	15.3%
Exceptional Items	-	176.83
Interest	217.84	233.30
Depreciation	286.02	214.07
Profit Before Tax	718.29	(190.72)
Net Profit after Tax	514.23	(127.50)
EPS : Diluted	27.04	(8.93)

EBITDA Analysis – Q3 FY10

Rs. Cr.

	Q3 FY 10	Q3 FY 09
Gross Turnover	4,889.41	3,055.34
EBITDA	1,222.15	433.48
EBITDA Margin	26.5%	15.3%
Less : Non-operating income	1.61	0.80
Less : Forex gain / (loss)	102.55	-
Operating EBITDA (Excl. Forex gain / loss)	1,117.99	432.68
Operating EBITDA margin (Excl. Forex gain / loss)	24.2%	15.3%

Financials – 9mths FY 10

Rs. Cr.

	9mths FY 10	9mths FY 09
Gross Turnover	13,887.24	11,659.46
EBITDA	3,378.70	2,589.27
EBITDA Margin	25.8%	23.9%
Exceptional Items	-	(807.96)
Interest	668.26	582.40
Depreciation	838.34	596.80
Profit Before Tax	1,872.10	602.11
Net Profit after Tax	1,305.79	409.30
EPS : Diluted	68.45	20.52

EBITDA Analysis – 9mths FY 10

Rs. Cr.

	9mths FY 10	9mths FY 09
Gross Turnover	13,887.24	11,659.46
EBITDA	3,378.70	2,589.27
EBITDA Margin	25.8%	23.9%
Less : Non-operating income	8.39	8.48
Less : One time income (CER)	60.21	-
Less : Forex gain / (loss)	316.69	-
Operating EBITDA (Excl. Forex gain / loss)	2,993.41	2,580.79
Operating EBITDA margin (Excl. Forex gain / loss)	22.9%	23.8%

Operational Performance - USA

	PRODUCTION (NT)			SALES (NT)		
	Q3 FY 10	Q2 FY 10	Growth	Q3 FY 10	Q2 FY 10	Growth
Plate Mill --Capacity utilisation	49,210 20%	48,895 20%	1%	24,252	38,689	-37%
Pipe Mill --Capacity utilisation	27,800 20%	16,845 12%	65%	24,460	17,822	37%
MS Slab				2,548	7,505	- 66%

USD Mio

	Q3 FY 10	Q2 FY 10
Turnover	43.68	41.49
EBITDA + Other Income	(8.40)	(21.03)
Profit Before Tax	(20.95)	(38.85)
Profit After Tax	(10.99)	(25.13)

Consolidated Financials- Q3 FY 10

Rs. Cr.

	Q3 FY 10	Q3 FY 09
Total Income	4,822.80	3,319.11
EBITDA	1,182.19	505.45
Profit Before Tax	594.07	(265.30)
Profit After Tax	429.70	(187.83)

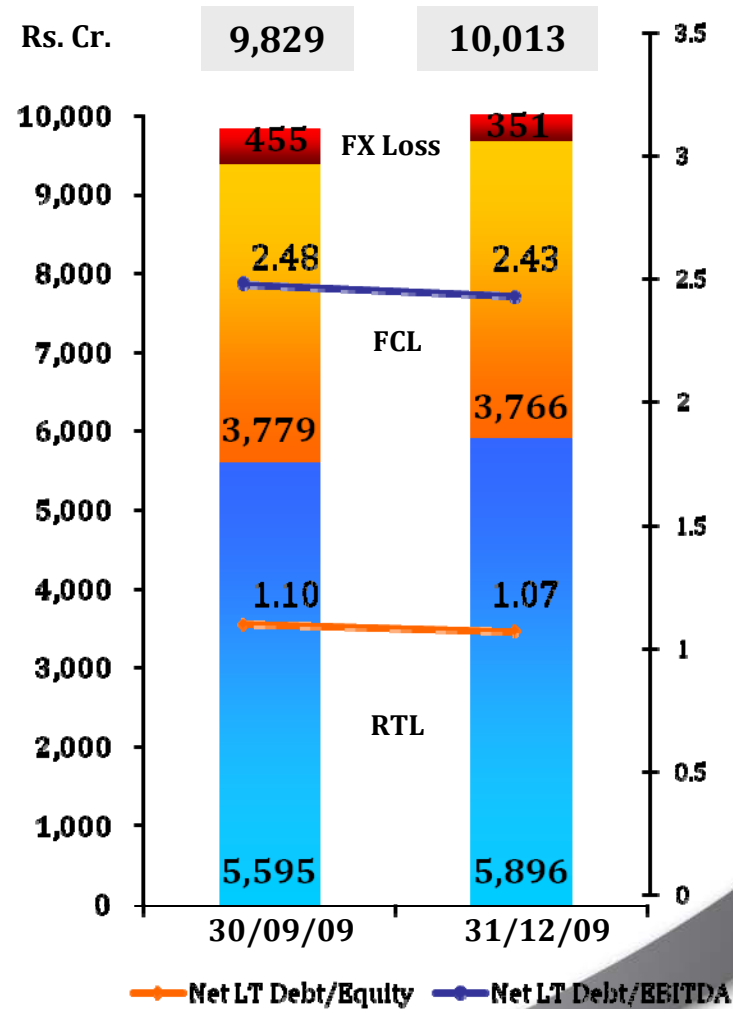
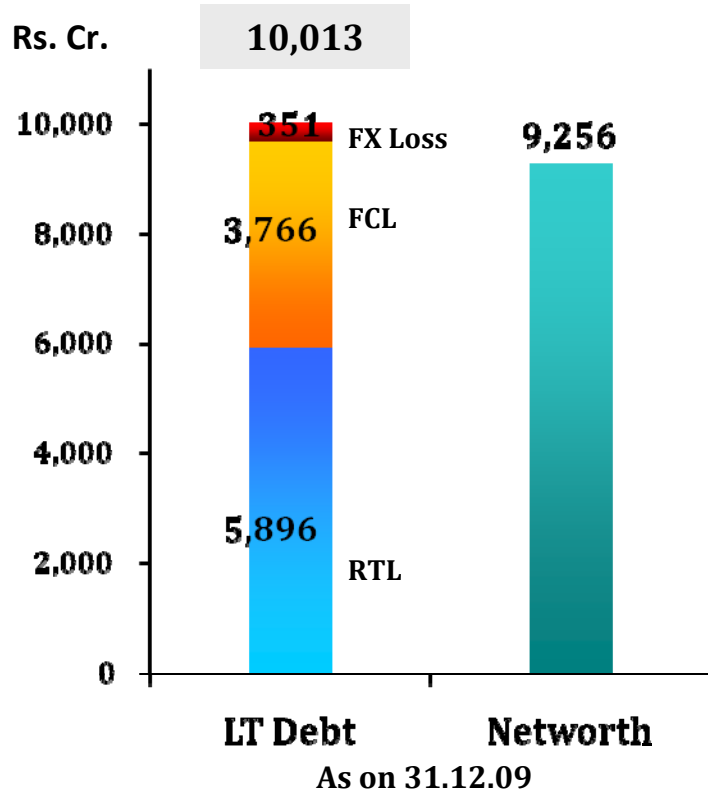
Consolidated Financials – 9mths FY 10

Rs. Cr.

	9mths FY 10	9mths FY 09
Total Income	13,593.08	12,482.63
EBITDA	3,186.88	2,920.25
Profit Before Tax	1,356.36	545.72
Profit After Tax	986.53	314.84

Net Long Term Debt Gearing - Standalone

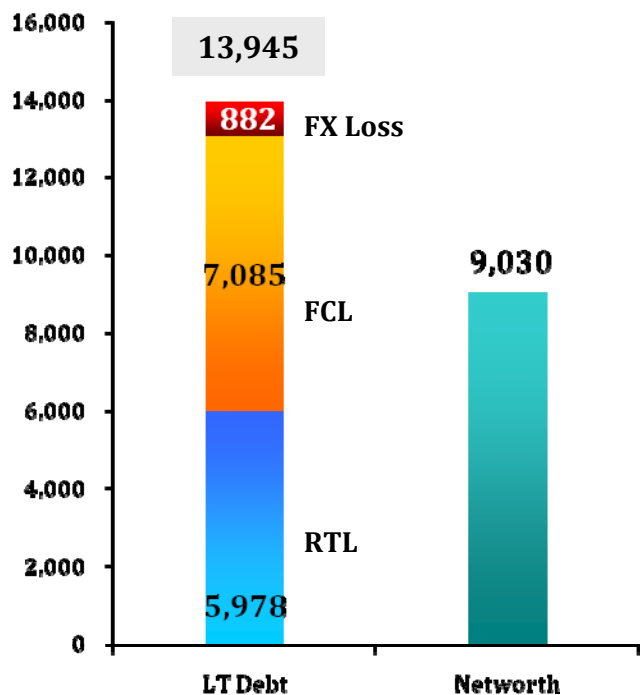
Long Term Debt & Networth



	Q1 FY10	Q2 FY10	Q3 FY10
Net L.T. Debt Equity	1.17	1.10	1.07
Net L.T. Debt /EBITDA	3.26	2.48	2.43
Wt Avg. Cost of Debt(%)	8.23	7.85	7.88
FD & MF (Rs. Cr.)	136	240	129

Net Long Term Debt Gearing - Consolidated

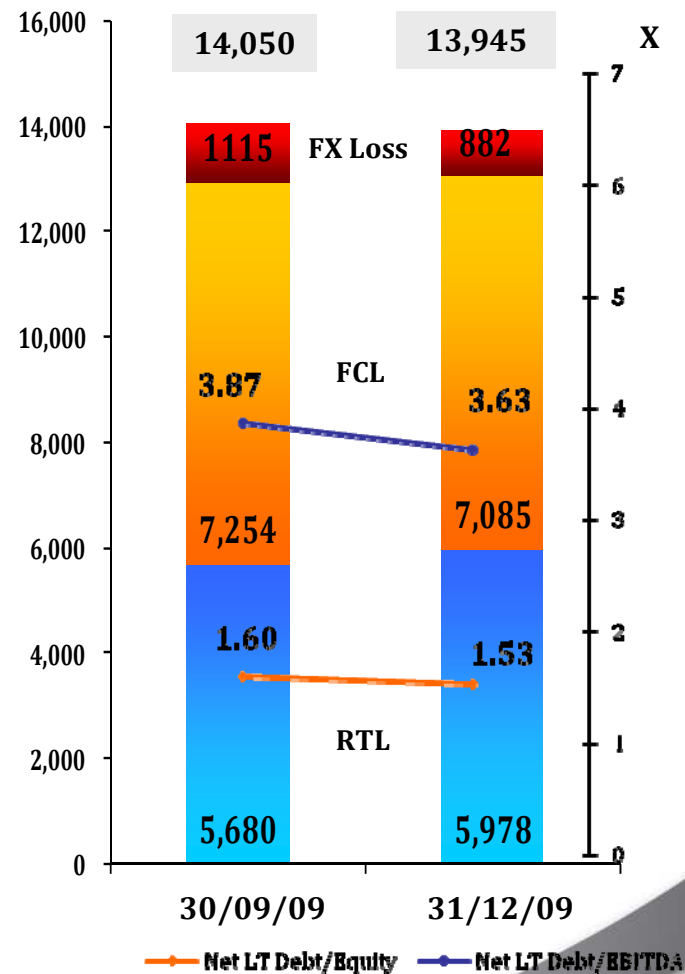
Rs. Cr. **Long Term Debt & Networth**



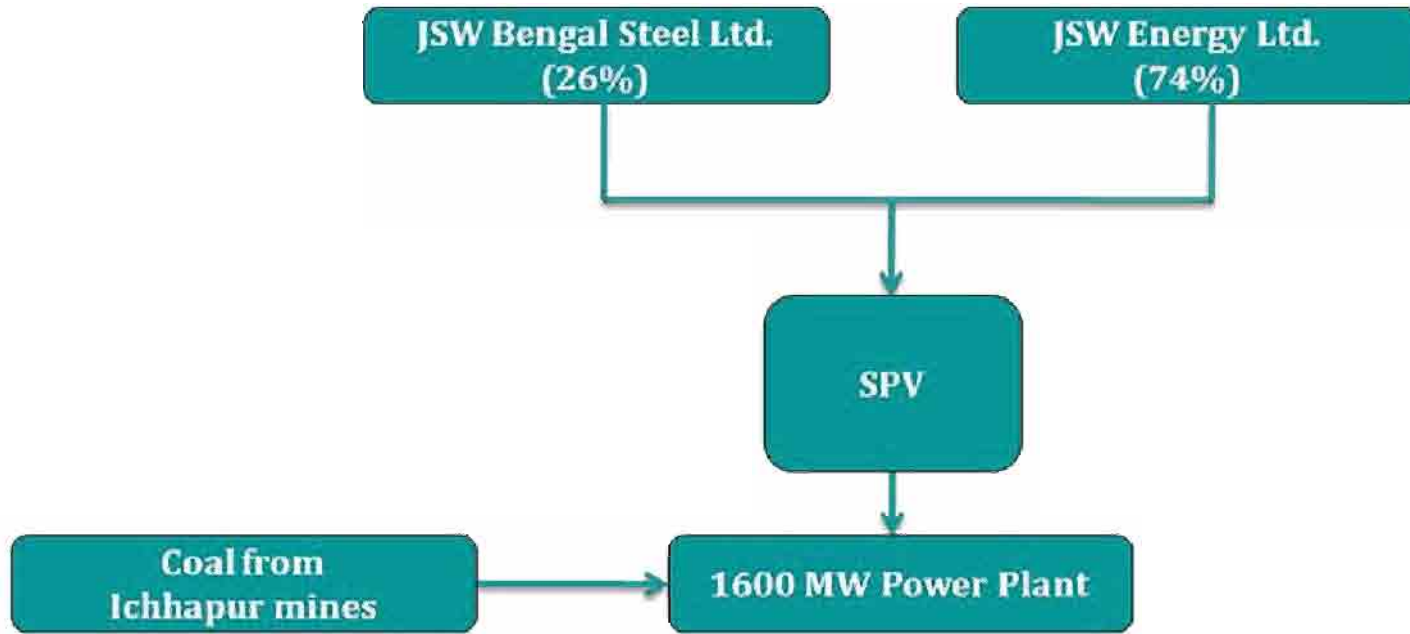
As on 31.12.09

	Q1 FY10	Q2 FY10	Q3 FY10
Net L.T. Debt Equity	1.67	1.60	1.53
Net L.T. Debt /EBITDA	5.05	3.87	3.63
Wt Avg. Cost of Debt(%)	7.05	6.71	6.58
FD & MF (Rs. Cr.)	151	251	130

Rs. Cr.



Key Development - Captive Power Plant At West Bengal



	Rs. Cr.
Total Investment	9,680
Investment for Power Plant	7,680
Investment for Mine Development	2,000
Debt : Equity	3:1
Targeted Commissioning Date	FY 2014 /FY 2015

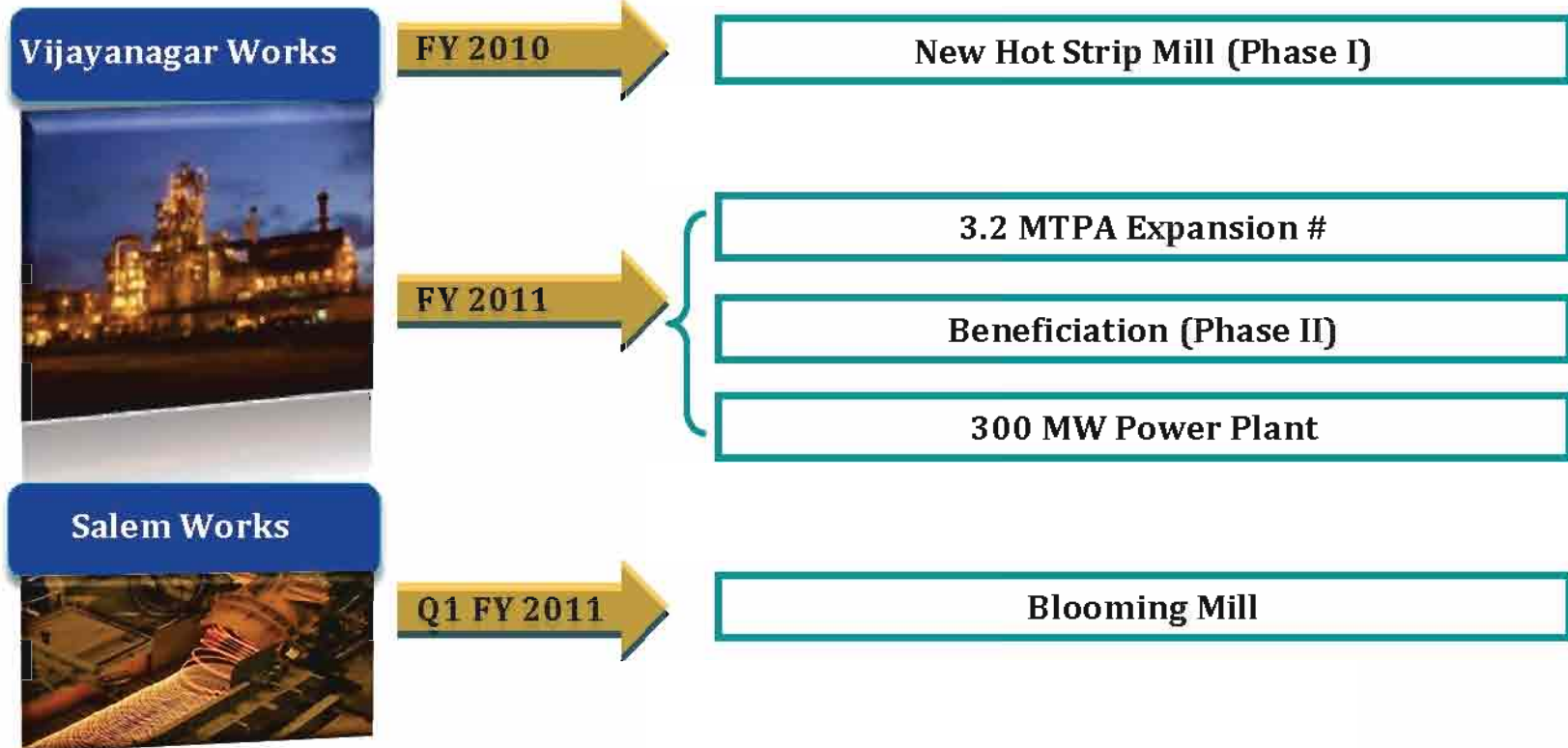
Awards And Recognitions

- ❑ **Runners up- Best performing ISP in India.
Prime Minister's Trophy 2007-08**
- ❑ **Award for “ Excellence in Energy Management 2009”
for second consecutive year.
CII- Sohrabji Godrej Green Business Centre**



Project Progress

Major Projects Commissioning Schedule



*# The company is setting up two power plants totaling to 600 MW.
300 MW is part of 3.2 MTPA expansion and another 300 MW is a separate project.*

BENEFICIATION PLANT - PHASE II



PROGRESS TILL DATE	% Progress
Civil	75%
Structural Fabrication	83%
Structural Erection	64%
Equipments	100%
Technology supplier	M/s CSIT China, SLON China & METSO
Targeted Commissioning date	FY 2011

HOT STRIP MILL



PROGRESS TILL DATE	% Progress
Civil	99%
Structural Fabrication	98%
Structural Erection	95%
Equipments	53%
Technology supplier	M/s Mitsbushi, Hitachi
Targeted Commissioning date	FY 10 (Phase-I,3.5 MTPA)

COKE OVEN



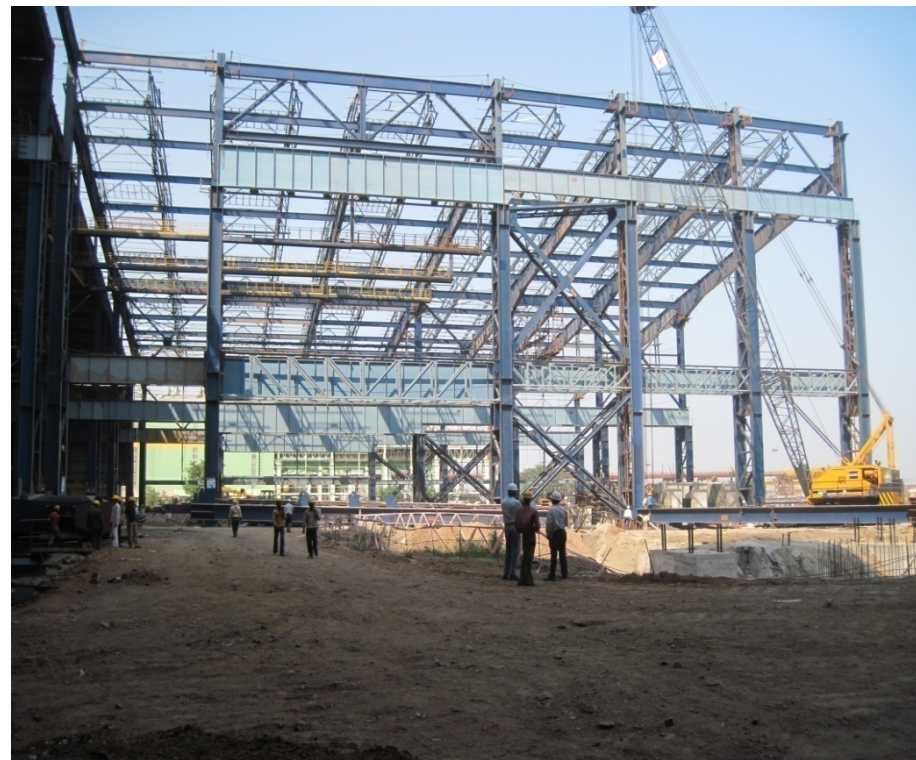
PROGRESS TILL DATE	% Progress
Civil	47%
Structural Fabrication	20%
Structural Erection	12%
Technology supplier	M/s MECC, China
Targeted Commissioning date	March 2011

SINTER PLANT



PROGRESS TILL DATE	% Progress
Civil	65%
Structural Fabrication	36%
Structural Erection	24%
Technology supplier	M/s OUTOTEC, Germany
Targeted Commissioning date	March 2011

STEEL MELTING SHOP



PROGRESS TILL DATE	% Progress
Civil	31%
Structural Fabrication	75%
Structural Erection	59%
Technology supplier	M/s SIEMAG, Germany
Targeted Commissioning date	March 2011

BLAST FURNACE



PROGRESS TILL DATE	% Progress
Civil	49%
Structural Fabrication	31%
Structural Erection	7%
Technology supplier	M/s SEIMENS VAI, UK
Targeted Commissioning date	March 2011

RAW MATERIAL HANDLING SYSTEM



PROGRESS TILL DATE	% Progress
Civil	11%
Structural Fabrication	31%
Structural Erection	7%
Technology supplier	M/s CSIT, China
Targeted Commissioning date	March 2011

BLOOMING MILL – SALEM WORKS



PROGRESS TILL DATE	% Progress
Civil	87%
Structural Fabrication	90%
Structural Erection	82%
Targeted Commissioning date	Q1 FY 2011



Q & A

Forward Looking and Cautionary Statement

Certain statements in this report 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 risk 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, our ability to commission mines within contemplated time and costs, our ability to raise the finance within time and cost 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 the Company has made strategic investments, withdrawal of fiscal/governmental incentives, impact of regulatory measures, 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.