



JSWSL: SEC: MUM: SE: 2019-20
July 26, 2019

Regd. Office : JSW Centre,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
CIN. : L27102MH1994PLC152925
Phone : +91 22 4286 1000
Fax : +91 22 4286 3000
Website : www.jsw.in

To,

1. National Stock Exchange of India Ltd. Exchange Plaza Plot No. C/1, G Block Bandra - Kurla Complex Bandra (E), Mumbai - 400 051 Fax No.: 2659 8237-38 Ref: NSE Symbol - JSWSTEEL Kind Attn.: Mr. Hari K, President (Listing)	2. Bombay Stock Exchange Limited Corporate Relationship Dept. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001. Fax No. 2272 2037/2039/ 2041/ 20 61 Ref: Company Code No.500228. Kind Attn.:- Mr. S. Subramanian -DCS-CRD
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Sub: Un-audited Standalone & Consolidated financial Results for the Quarter ended 30th June 2019

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 30th June 2019 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:

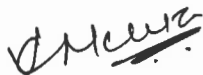
1. Central Depository Services (India) Ltd. Phiroze Jeejeebhoy Tower, Dalal Street, 28th Floor, Mumbai.- 400 023. Fax No.: 2272 3199	2. National Securities Depository Ltd. Trade World, 4th Floor, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. Fax No.: 24972993/24976351
3. Singapore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

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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 June 30, 2019 (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 ('the Regulation') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular 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 of the Statement 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 the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, 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 the Regulation, read with the Circular, 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
UDIN: 19105938AAAABG8903



Place : Mumbai
Date : July 26, 2019

JSW Steel Limited

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 2019

(Rs. in Crores)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Audited (Refer Note 6)	Unaudited	Audited
I	Revenue from operations				
	a) Gross Sales	17,150	19,264	18,465	74,769
	b) Other operating Income	349	437	499	1,958
	Total Revenue from operations	17,499	19,701	18,964	76,727
II	Other Income	162	83	167	519
III	Total income (I + II)	17,661	19,784	19,131	77,246
IV	Expenses				
	a) Cost of materials consumed	9,733	9,227	10,008	39,589
	b) Purchases of stock-in-trade	249	94	52	498
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(759)	1,426	(330)	(188)
	d) Employee benefits expense	387	347	356	1,400
	e) Finance costs	963	956	866	3,708
	f) Depreciation and amortisation expense	806	865	819	3,397
	g) Power and fuel	1,331	1,306	1,377	5,746
	h) Other Expenses	2,832	2,960	2,679	11,279
	Total Expenses (IV)	15,542	17,181	15,827	65,429
V	Profit before Tax (III - IV)	2,119	2,603	3,304	11,817
VI	Tax Expense				
	a) Current tax	445	418	688	2,348
	b) Deferred tax	251	440	278	1,210
VII	Net Profit after Tax for the period / year (V-VI)	1,423	1,745	2,338	8,259
VIII	Other Comprehensive Income (OCI)				
	A .i) Items that will not be reclassified to profit or loss	(52)	32	(60)	(11)
	ii) Income tax relating to items that will not be reclassified to profit or loss	1	-	1	5
	B. i) Items that will be reclassified to profit or loss	9	20	(230)	(18)
	ii) Income tax relating to items that will be reclassified to profit or loss	(3)	(7)	80	6
	Total Other Comprehensive Income/(Loss)	(45)	45	(209)	(18)
IX	Total Comprehensive Income for the period/year (Comprising Profit and Other Comprehensive Income for the period/year) (VII+VIII)	1,378	1,790	2,129	8,241
X	Paid up Equity Share Capital (face value of Re.1 per share)	240	240	241	240
XI	Other Equity excluding Revaluation Reserves				34,861
XII	Earnings per equity share (not annualised)				
	Basic (Rs.)	5.92	7.27	9.72	34.35
	Diluted (Rs.)	5.89	7.22	9.67	34.17

SIGNED FOR IDENTIFICATION
BY

S R B C & CO LLP
MUMBAI



Notes

1. Effective 01 April 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on the date of initial application i.e. 01 April 2019. The Company has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

The above approach has resulted in a recognition of a right-of-use asset of Rs. 5,009 crores and a lease liability of Rs. 4,944 crores on the date of initial application, including right-of-use asset amounting to Rs. 4,686 crores and lease liability amounting to Rs. 4,628 crores which were recognised as finance lease asset and obligation respectively under erstwhile lease standard.

2. The Resolution Plan submitted by the Company for Vardhman Industries Limited (VIL) was approved with some modifications, by the Hon'ble National Company Law Tribunal (NCLT) New Delhi, by its order dated 16 April 2019. The Company filed an appeal challenging the said NCLT Order before National Company Law Appellate Tribunal (NCLAT), the matter is partly heard and now listed on 26 August 2019 for further hearing.
3. The Board of Directors of the Company at their meeting held on 25 October 2018, considered and approved the Scheme of Amalgamation pursuant to sections 230 - 232 and other applicable provisions of the Companies Act, 2013, providing for the merger of its wholly owned subsidiaries, Dolvi Minerals and Metals Private Limited, Dolvi Coke Projects Limited, JSW Steel Processing Centre Limited, and JSW Steel (Salav) Limited with the Company. The said scheme has been filed with NCLT Mumbai and NCLT Ahmedabad. NCLT Mumbai has approved the said Scheme and hearing are in progress at NCLT Ahmedabad.
4. The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants, on the basis using State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company including denying incentives on related party transactions and certain other restrictions. Subsequently, the GOM issued a corrigendum dated 08 March 2019 to the above mentioned GR allowing eligible units to claim incentives on related party transactions.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.



Accordingly, the Company has recognized grant income without giving effect to the above restrictions amounting to Rs. 39 crores for the quarter ended 30 June 2019. Further, the Company had recognized, in the previous years, grant income in relation to such restrictions of Rs. 271 crores. The cumulative amount receivable towards the same as at 30 June 2019 amounting to Rs. 310 crores has been considered good and recoverable.

5. 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.
6. The figures of the quarter ended 31 March 2019 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.
7. Previous period/year figures have been regrouped /reclassified wherever necessary.
8. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 25 July 2019 and 26 July 2019 respectively. The Statutory Auditors have carried out a Limited Review of the results for the quarter ended 30 June 2019.

For JSW Steel Limited



Seshagiri Rao M.V.S

Jt. Managing Director & Group CFO

26 July 2019



Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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 Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its share of the net loss after tax and total comprehensive income of its joint ventures for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Regulation, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I to the Statement.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, 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 the aforesaid Indian Accounting Standard specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the financial results of 8 subsidiaries, included in the consolidated unaudited financial results, whose financial results reflect total revenues of Rs. 2,619 crores, total net profit after tax of Rs. 17 crores and total comprehensive income (net) of Rs. 9 crores for the quarter ended June 30, 2019, as considered in the consolidated unaudited financial results.

The consolidated unaudited financial results also includes the Group's share of net loss after tax of Rs. 34 crores, for the quarter ended June 30, 2019, as considered in the Statement, in respect of 5 joint ventures, whose financial results have not been reviewed by us.



JSW Steel Limited

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These financial results have been reviewed by other auditors, whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and joint ventures is based solely on the report of the other auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

7. Certain of these subsidiaries and joint ventures are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial results of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries and joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Parent and reviewed by us.
8. The accompanying unaudited consolidated financial results includes unaudited financial results and other unaudited financial information in respect of 26 subsidiaries, which have not been reviewed by their auditors, whose financial results reflect total revenues of Rs. 12 crores, total net loss after tax of Rs. 60 crores and total comprehensive loss (net) of Rs. 56 crores for the quarter ended June 30, 2019, as considered in the unaudited consolidated financial results.

The unaudited consolidated financial results also includes the Group's share of net profit after tax of Rs. 15 crores, for the quarter ended June 30, 2019, as considered in the Statement, in respect of 5 joint ventures, based on their financial results which have not been reviewed by their auditors. These unaudited financial results and other unaudited financial information have been approved and furnished to us by the management.

Our conclusion, in so far as it relates to the affairs of these subsidiaries and joint ventures, is based solely on such unaudited financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



per Vikram Mehta
Partner

Membership No.: 105938

UDIN: 19105938AAAABH8188



Place: Mumbai

Date: July 26, 2019

JSW Steel Limited

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Annexure I - List of entities included in Limited Review Report

Subsidiaries:

1. JSW Steel (Netherlands) B.V.
2. Periana Holdings, LLC
3. JSW Steel (USA), Inc
4. Planck Holdings, LLC
5. Prime Coal, LLC
6. Purest Energy, LLC
7. Caretta Minerals, LLC
8. Lower Hutchinson Minerals, LLC
9. Periana Handling, LLC
10. Rolling S Augering, LLC
11. Hutchinson Minerals, LLC
12. Keenan Minerals, LLC
13. Meadow Creek Minerals, LLC
14. Peace Leasing, LLC
15. R.C. Minerals, LLC
16. Santa Fe Mining
17. Santa Fe Puerto S.A.
18. JSW Panama Holdings Corporation
19. JSW ADMS Carvao Limitada
20. Inversiones Eurosh Limitada
21. JSW Natural Resources Limited
22. JSW Natural Resources Mozambique Limitada
23. Acero Junction Holdings, Inc
24. JSW Steel (USA) Ohio, Inc.
25. JSW Steel Italy S.r.L
26. JSW Steel Italy Piombino S.p.A (formerly known as Acciaierie e Ferriere di Piombino S.p.A.)
27. GSI Lucchini S.p.A.
28. Piombino Logistics S.p.A. - A JSW Enterprise (formerly known as Piombino Logistics S.p.A.)
29. Nippon Ispat Singapore (PTE) Limited
30. Arima Holdings Limited
31. Erebus Limited
32. Lakeland Securities Limited
33. JSW Steel (UK) Limited
34. Amba River Coke Limited
35. JSW Steel Coated Products Limited
36. JSW Steel (Salav) Limited
37. JSW Steel Processing Centres Limited
38. JSW Jharkhand Steel Limited
39. JSW Bengal Steel Limited
40. JSW Energy (Bengal) Limited
41. JSW Natural Resources Bengal Limited
42. JSW Natural Resources India Limited
43. Peddar Realty Private Limited
44. JSW Realty & Infrastructure Private Limited
45. Dolvi Minerals & Metals Private Limited
46. Dolvi Coke Projects Limited
47. JSW Industrial Gases Private Limited
48. JSW Utkal Steel Limited



JSW Steel Limited
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49. Hasaud Steel Limited
50. JSW Retail Limited
51. Makler Private Limited (w.e.f June 06, 2019)
52. Piombino Steel Limited (w.e.f June 06, 2019)

Joint ventures:

1. Geo Steel LLC
2. Vijayanagar Minerals Private Limited
3. Rohne Coal Company Private Limited
4. Gourangdih Coal Limited
5. JSW MI Steel Service Center Limited
6. JSW Vallabh Tin Plate Private Limited
7. JSW Severfield Structures Limited
8. JSW Structural Metal Decking Limited
9. Creixent Special Steels Limited
10. Monnet Ispat & Energy Limited



Statement of Unaudited Consolidated Financial Results for the quarter ended 30 June 2019

Rs. in Crores

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Audited (refer note 5)	Unaudited	Audited
I	Revenue from operations				
	a) Gross sales	19,407	21,837	19,950	82,499
	b) Other operating income	405	531	569	2,258
	Total Revenue from operations	19,812	22,368	20,519	84,757
II	Other Income	141	53	58	204
III	Total Income (I+II)	19,953	22,421	20,577	84,961
IV	Expenses				
	a) Cost of materials consumed	11,390	10,306	10,630	43,476
	b) Purchases of stock-in-trade	25	76	16	320
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,053)	1,694	(464)	(590)
	d) Employee benefits expense	759	701	535	2,489
	e) Finance costs	1,042	1,046	887	3,917
	f) Depreciation and amortisation expense	1,026	1,084	905	4,041
	g) Power and fuel	1,702	1,644	1,608	7,053
	h) Other expenses	3,273	3,507	3,089	13,057
	Total expenses (IV)	18,164	20,058	17,206	73,763
V	Profit before share of profit/(loss) of joint ventures (net) (III-IV)	1,789	2,363	3,371	11,198
VI	Share of profit/(loss) of joint ventures (net)	(19)	(33)	21	(30)
VII	Profit before tax (V-VI)	1,770	2,330	3,392	11,168
VIII	Tax expense				
	a) Current tax	483	440	752	2,473
	b) Deferred tax	279	395	301	1,171
IX	Net Profit for the period / year (VII-VIII)	1,008	1,495	2,339	7,524
X	Other comprehensive income (OCI)				
	(A) (i) Items that will not be reclassified to profit or loss	(61)	36	(77)	(21)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1	2	1	7
	(B) (i) Items that will be reclassified to profit or loss	(10)	52	(302)	(24)
	(ii) Income tax relating to items that will be reclassified to profit or loss	3	(9)	88	(12)
	Total other comprehensive income/(loss)	(67)	81	(290)	(50)
XI	Total comprehensive income for the period / year (Comprising Profit and Other comprehensive income for the period/year) (IX+X)	941	1,576	2,049	7,474
XII	Net Profit / (loss) for the period/year attributable to:				
	-Owners of the Company	1,028	1,523	2,366	7,639
	-Non-controlling interests	(20)	(28)	(27)	(115)
		1,008	1,495	2,339	7,524
XIII	Other comprehensive income / (loss)				
	-Owners of the Company	(69)	79	(269)	(24)
	-Non-controlling interests	2	2	(21)	(26)
		(67)	81	(290)	(50)
XIV	Total comprehensive income / (loss) for the period/year attributable to:				
	-Owners of the Company	959	1,602	2,097	7,615
	-Non-controlling interests	(18)	(26)	(48)	(141)
		941	1,576	2,049	7,474
XV	Paid up Equity Share Capital (face value of Re. 1 per share)	240	240	241	240
XVI	Other Equity excluding Revaluation Reserves				34,494
XVII	Earnings per equity share (not annualised)				
	Basic (Rs.)	4.28	6.35	9.84	31.77
	Diluted (Rs.)	4.25	6.31	9.79	31.60

Notes

1. Effective 1 April 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on the date of initial application i.e. 1 April 2019. The Group has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

The above approach has resulted in a recognition of a right-of-use asset of Rs. 2,749 crores and a lease liability of Rs. 2,167 crores on the date of initial application, including right-of-use asset amounting to Rs. 2,515 crores and lease liability amounting to Rs. 1,957 crores which were recognised as finance lease asset and obligation under erstwhile lease standard.

2. The Resolution Plan submitted by the Company for Vardhman Industries Limited (VIL) was approved with some modifications, by the Hon'ble National Company Law Tribunal (NCLT) New Delhi, by its order dated 16 April 2019. The Company filed an appeal challenging the said NCLT Order before National Company Law Appellate Tribunal (NCLAT), the matter is partly heard and now listed on 26 August 2019 for further hearing.
3. The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants, on the basis using State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company including denying incentives on related party transactions and certain other restrictions. Subsequently, the GOM issued a corrigendum dated 8 March 2019 to the above mentioned GR allowing eligible units to claim incentives on related party transactions.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

Accordingly, the Company has recognized grant income without giving effect to the above restrictions amounting to Rs. 39 crores for the quarter ended 30 June 2019. Further, the Company had recognized, in the previous years, grant income in relation to such restrictions of Rs. 271 crores. The cumulative amount receivable towards the same as at 30 June 2019 amounting to Rs. 310 crores has been considered good and recoverable.

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.

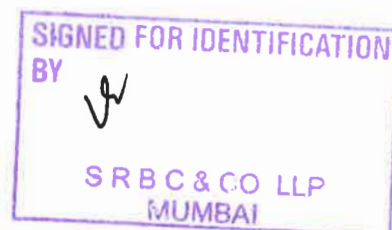


5. The figures of the quarter ended 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto third quarter of the relevant financial year.
6. Previous period/year figures have been re-grouped /re-classified wherever necessary.
7. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 25 July 2019 and 26 July 2019 respectively. The Statutory Auditors have carried out a Limited Review of the results for the quarter ended 30 June 2019.

For JSW Steel Limited



Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
26 July 2019



JSW Steel reports results for the quarter ending June 30, 2019

Mumbai, India: JSW Steel Limited ("JSW Steel" or the "Company") today reported its results for the First Quarter ended 30th June, 2019 ("1Q FY2020" or the "Quarter").

Key highlights for 1Q FY2020:

Standalone Performance:

- Crude Steel production: 4.24 million tonnes, up by 3% YoY
- Saleable Steel sales: 3.75 million tonnes, down by 2% YoY
- Revenue from operations: ₹ 17,499 crores,
- Operating EBITDA: ₹ 3,726 crores,
- Net profit after tax: ₹ 1,423 crores,

Consolidated Performance:

- Revenue from operations: ₹ 19,812 crores,
- Operating EBITDA: ₹ 3,716 crores,
- Net profit after tax: ₹ 1,008 crores
- Net Debt to Equity : 1.35x and Net Debt to EBITDA : 2.72x

Domestic steel demand during the quarter was impacted by weaker activity levels - driven by a softer public investment spend on account of general elections; a general lack of credit availability across the economy, especially for the small and mid-size businesses; and a weaker sentiment as reflected in slow automotive and consumer durables momentum. This subdued steel demand led to lower sales volume and accumulation of inventory across the industry. Hence, the Company strategically focussed on exports during the quarter, which increased by 34% YoY to 0.62 million tonnes and exports accounted for 17% of total shipments. Overall Consolidated Sales volumes stood at 3.66 million tonnes, a decline of 3% YoY.

Standalone Performance:

The details of production and standalone sales volumes for the quarter are as under:

Particulars	(Million tonnes)		% YoY Growth
	1Q FY2020	1Q FY2019	
Production: Crude Steel	4.24	4.11	3%
Saleable Steel:			
- Rolled: Flat	2.67	2.73	-2%
- Rolled: Long	0.93	0.87	7%
- Semis	0.15	0.23	-36%
Total Sales	3.75	3.83	-2%

The Company reported Crude Steel Production of 4.24 Million tonnes, higher by 3% YoY. Saleable Steel sales for the quarter was 3.75 Million tonnes, lower by 2% YoY primarily due to weaker domestic demand environment and lack of credit availability.

The Company's revenue from operations stood at ₹ 17,499 crores, a decline of 8% YoY mainly due to lower sales realization, which was lower by 5% YoY. The Company focused on the following key cost savings initiatives to partially offset the impact of the lower realization:

- Increase in PCI (Pulverised Coal Injection) to reduce fuel consumption in the blast furnaces
- Strategically reduced imports of iron ore; higher supplies from captive iron ore mines; and use of pipe conveyer for iron ore movement at Vijayanagar
- Substituting external purchases of coke by ramping up the new captive coke oven batteries at Dolvi

Further, the Company was able to reduce its conversion costs (power and fuel costs, stores and spares and other manufacturing expenses) due to subdued fuel prices and lower prices of electrodes and refractories. The operating EBITDA for the quarter declined by 23% YoY to ₹ 3,726 crores primarily due to lower sales volumes, however, EBITDA margin stood at a healthy 21.3%. The company reported net profit after tax of ₹ 1,423 crores for the quarter.

The Company's net gearing (Net Debt to Equity) stood at 1.15x at the end of the quarter (as against 1.17x at the end of Q4 FY2019) and Net Debt to EBITDA stood at 2.43x (as against 2.23x at the end of Q4 FY2019).

Subsidiaries' Performance:

JSW Steel Coated Products:

During the quarter, JSW Steel Coated Products registered a production volume (Galvanised/Galvalume products) of 0.43 million tons and sales volume of 0.45 million tonnes. Revenue from operations and Operating EBITDA for the quarter stood at ₹ 2,990 crores and ₹ 172 crores respectively. It reported a Net Profit after Tax of ₹ 70 crores for the quarter.

US Plate and Pipe Mill:

The US based Plate and Pipe Mill facility produced 83,516 net tonnes of Plates and 23,093 net tonnes of Pipes, reporting a capacity utilization of 36% and 17%, respectively, during the quarter. Sales volumes for the quarter stood at 57,032 net tonnes of Plates and 23,195 net tonnes of Pipes. It reported an EBITDA of \$2.00 million for the quarter.

JSW Steel USA Ohio (Acero) :

The US based HR coil manufacturing facility produced 80,037 net tonnes of HRC during the quarter. Sales volumes for the quarter stood at 71,362 net tonnes. It reported an EBITDA loss of \$36.12 million for the quarter which includes an inventory write-down of \$18.95 million.

JSW Steel Italy (Aferpi) :

The Italy based Rolled long products manufacturing facility produced 154,486 tonnes and Sold 154,764 tonnes during the quarter. It reported an EBITDA loss of 4.16 million Euros for the quarter.

Consolidated Financial Performance:

Saleable Steel sales for the quarter stood at 3.66 Million tonnes, lower by 3% YoY. Revenue from operations reduced by 3% YoY to ₹ 19,812 crores for the quarter. Operating EBITDA stood at ₹ 3,716 crores with EBITDA margin of 18.8%. The Net Profit after Tax for the quarter was ₹ 1,008 crores, after incorporating the financials of subsidiaries and joint ventures.

The Company's consolidated Net gearing (Net Debt to Equity) stood at 1.35x at the end of the quarter (as against 1.34x at the end of Q4 FY2019) and Net Debt to EBITDA stood at 2.72x (as against 2.43x at the end of Q4 FY2019).

Projects and Capex update:

All key projects, viz. expansion of crude steel capacity at Dolvi works from 5 MTPA to 10 MTPA, 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.

The Company is implementing a cumulative capex spend of ₹ 48,715 Crores over FY2018 – FY2021. The actual cash outflow for Q1 FY2020 is ₹ 2,819 crores, which is in line with the cash outflow plan of ₹ 15,708 crores, for FY 2020.

Outlook

The IMF revised its CY 2019 world GDP growth forecast to 3.2% (from 3.3% earlier) on the back of sluggish economic indicators over the last 3 months. After a strong growth in CY2018 and despite tight labor markets, the US growth outlook has softened as reflected by key economic indicators. The Fed's recent commentary and dovish stance signals possible interest rate cuts in the near future, which bodes well for the outlook for the US economy. Euro area growth continues to remain weak given contraction in industrial growth, subdued private consumption and trade / political uncertainties. Japan is facing headwinds from external trade weakness and softening domestic consumption. Chinese growth remained stable during the quarter. Calibrated fiscal and monetary policy measures are likely to support growth. Overall, ongoing trade tensions and heightened geopolitical tensions contribute to elevated risks. On the other hand, a possible resolution of the on-going trade tensions and accommodative central bank policy measures should lead to global growth recovery.

Global steel spreads further softened during the quarter, mainly driven by a moderation in demand and steel pricing, and elevated raw material costs, especially the sea-borne iron ore markets due to supply disruptions. A disciplined supply response from steel mills along with an increase in iron ore supply should be supportive for steel spreads in the second half of CY2019.

India continues to remain a bright spot in the global steel context, with the highest growth rate in steel consumption among major steel consuming markets. This, admittedly, has also made India a magnet to attract higher imports from steel surplus economies, especially from the FTA countries given nil duty at the time of imports. Currently, 66% of steel imports into India originates from the FTA countries, which is causing an injury to the domestic industry necessitating effective remedial measures.

Indian economic activities during the quarter were underpinned by a general lack of credit availability, resulting in a muted business sentiment across various consuming sectors. Gross Fixed Capital (GFC) formation has slowed down, but structurally it is likely to expand and gain momentum given the government's thrust on building infrastructure through higher public spending. Weaker automotive sales volumes and consumer durables sales in recent months is a

matter of concern. The government's announced outlays in the Union Budget is supportive for the underlying consumer and rural demand. Higher government spend is likely to spur investment demand. Focused measures to ensure timely availability of credit will be key to regain the momentum in the business sentiment and fuel economic growth.

About JSW Steel Ltd.: *JSW Steel Ltd. is the flagship company of the diversified US\$ 14 billion JSW Group which has a leading presence in sectors such as steel, energy, infrastructure, cement, sports among others. From a single manufacturing unit in the early 1980s, JSW Steel Ltd, today, is one of the foremost integrated steel company in India with an installed capacity of 18 MTPA, and has plans to scale it up in India and overseas. JSW Steel's manufacturing facility at Vijayanagar, Karnataka is the largest single location steel-producing facility in India with a capacity of 12 MTPA. The Company has been at the forefront of state-of-the-art, cutting-edge technology, research and innovation while laying the foundation for long-term growth. Strategic collaborations with global technology leaders to offer high-value special steel products for various applications across construction, automobile, appliances and other sectors. JSW Steel Ltd. has been widely recognised for its business and operational excellence. Key awards include Deming Prize for Total Quality Management at Vijayanagar (2018), DJSI RobecoSAM Sustainability Industry Mover Award (2018) among others.*

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.

Media contact:

JSW Group Corporate Communications

Frederick Castro

Mithun Roy

Mobile: +91 99206 65176

Mobile: +91 98190 00967

Email: frederick.castro@jsw.in

Email: mithun.roy@jsw.in