



JSWSL: SEC: MUM: SE: 2018-19
February 06, 2019

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Bandra (East), Mumbai - 400 051
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1. National Stock Exchange of India Ltd. Exchange Plaza Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051 NSE Symbol: JSWSTEEL Kind Attn.: Mr. Hari K, President (Listing)	2. BSE Limited Corporate Relationship Dept. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001. Scrip Code No.500228 Kind Attn: The General Manager (CRD).
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Dear Sir/Madam,

Sub: Un-audited Standalone & Consolidated financial Results for the Quarter & Nine months ended 31st December 2018

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 & nine months ended 31st December 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:

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	

Limited Review Report**Review Report to
The Board of Directors
JSW Steel Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of JSW Steel Limited (the 'Company') for the quarter ended December 31, 2018 and year to date from April 1, 2018 to December 31, 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 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('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 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 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, 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.
5. We draw attention to note 4 (i) of the Statement, which fully describes the effect of Government Resolution dated 20 December 2018 issued by the Government of Maharashtra ('GOM') imposing additional conditions in respect of modalities for sanction and disbursement of incentives under the GST regime for which the Company has filed representations with GOM based on legal advice received. 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
February 06, 2019

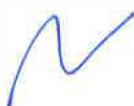
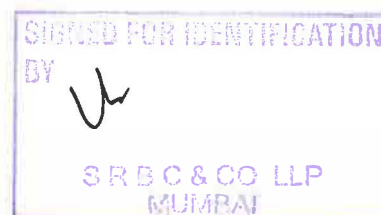


Statement of Unaudited Standalone Financial Results for the quarter and nine months ended 31 December 2018

(Rs. in Crores)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited*	Unaudited	Unaudited*	Audited *
I	Revenue from operations						
	a) Gross Sales	17,947	19,093	16,575	55,505	46,889	66,235
	b) Other operating Income	446	576	238	1,521	675	1,488
	Total Revenue from operations	18,393	19,669	16,813	57,026	47,564	67,723
II	Other Income	67	202	43	436	140	213
III	Total Income (I + II)	18,460	19,871	16,856	57,462	47,704	67,936
IV	Expenses						
	a) Cost of materials consumed	10,394	10,099	9,090	30,532	25,828	35,995
	b) Purchases of stock-in-trade	259	93	325	404	735	1,063
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,355)	71	100	(1,614)	205	412
	d) Employee benefits expense	361	336	314	1,053	939	1,260
	e) Finance costs	957	929	892	2,752	2,718	3,591
	f) Depreciation and amortisation expense	855	858	769	2,532	2,273	3,054
	g) Power and fuel	1,518	1,545	1,215	4,440	3,501	4,771
	h) Excise duty expenses	-	-	-	-	-	1,259
	i) Other Expenses	2,778	2,723	2,196	8,149	6,399	9,222
	Total Expenses (IV)	15,767	16,654	14,901	48,248	43,857	60,627
V	Profit before exceptional Items and Tax (III - IV)	2,693	3,217	1,955	9,214	3,847	7,309
VI	Exceptional Items	-	-	234	-	234	234
VII	Profit before Tax (V - VI)	2,693	3,217	1,721	9,214	3,613	7,075
VIII	Tax Expense						
	a) Current tax	578	664	344	1,930	724	1,578
	b) Deferred tax	223	269	251	770	499	872
IX	Net Profit after Tax for the period / year (VII-VIII)	1,892	2,284	1,126	6,514	2,390	4,625
X	Other Comprehensive Income (OCI)						
	A. i) Items that will not be reclassified to profit or loss	52	(35)	173	(43)	268	79
	ii) Income tax relating to items that will not be reclassified to profit or loss	4	-	(1)	5	1	1
	B. i) Items that will be reclassified to profit or loss	471	(279)	171	(38)	(128)	(374)
	ii) Income tax relating to items that will be reclassified to profit or loss	(165)	98	(59)	13	44	130
	Total Other Comprehensive Income/(Loss)	362	(216)	284	(63)	185	(164)
XI	Total Comprehensive Income for the period/year (Comprising Profit and Other Comprehensive Income for the period/year) (IX+X)	2,254	2,068	1,410	6,451	2,575	4,461
XII	Paid up Equity Share Capital (face value of Re.1 per share)	240	240	241	240	241	241
XIII	Other Equity excluding Revaluation Reserves						27,605
XIV	Earnings per equity share (not annualised)						
	Basic (Rs.)	7.87	9.50	4.68	27.09	9.94	19.24
	Diluted (Rs.)	7.83	9.45	4.66	26.95	9.89	19.14

*Restated (refer note 1)

Notes

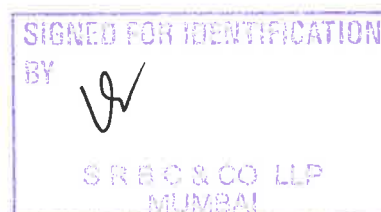
1. Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after 1 April 2018 replaces the existing revenue recognition standards. The application of Ind AS 115 did not have any significant impact on financial results of the Company. However, the Company has 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 and nine months ended 31 December 2017, and year ended 31 March 2018 is higher by Rs. 360 crores, Rs. 1,029 crores and Rs. 1,489 crores respectively with the corresponding increase in Other expenses.

Further, the export benefits, amounting to Rs. 84 crores and Rs. 228 crores for the quarter and nine months ended 31 December 2017 and Rs. 300 crores for the 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 and equity for the respective periods.

2. a. 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 (USD 80.85 million). 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 (USD 80.85 million) in its financials relating to such acquisition.
- b. Pursuant to the Corporate Insolvency Resolution process under the Insolvency Bankruptcy Code, 2016 initiated on 18 July 2017, the National Company Law Tribunal ('NCLT') on 24 July 2018 (Order date) approved (with modifications) the resolution plan submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited. The consortium completed the acquisition of Monnet Ispat & Energy Limited ("MIEL") through their jointly controlled entity Creixent Special Steels Limited ("CSSL") on 31 August 2018. The Company has made an investment of Rs. 375 crores through equity and redeemable preference shares in CSSL to acquire joint control in MIEL and have an effective shareholding of 23.1% in MIEL.
- c. The Resolution Plan submitted by the Company for Vardhman Industries Limited (VIL) was approved with some modification, by the Hon'ble NCLT New Delhi, by its order dated 19 December 2018 under Section 31 of the Insolvency and Bankruptcy Code, 2016 (NCLT Order). The Company has filed an application before the Hon'ble NCLT seeking certain clarifications/modifications to the NCLT Order. The Hon'ble NCLT, by its order dated 7 January 2019, has deferred the implementation of the resolution Plan until clarifications are processed by the Regular Bench. The hearing on the Clarification Application is concluded on 28 January 2019 and it is reserved for orders. Meanwhile, an Appeal has been filed before Hon'ble National Company Law Appellate Tribunal ('NCLAT') on 1 February 2019 and the same is yet to be listed for hearing.



d. On 24 July 2018, the Company through its wholly owned subsidiary in Italy, JSW Steel Italy S.r.l, completed acquisition of 100% shares each of Aferpi S.p.A ("Aferpi") and Piombino Logistics S.p.A ("PL") and 69.27% of the shares of GSI Lucchini S.p.A ("GSI") (collectively referred to as "Targets") for a consideration of Rs. 482 crores (Euro 59.90 million) towards acquisition of equity shares and Rs. 100 crores (Euro 12.38 million) towards acquisition of loans provided by erstwhile shareholders of the targets.

Aferpi produces and distributes special long steel products viz rails, wire rods and bars. It has a plant at Piombino in Italy, comprising a Rail Mill (0.32 mtpa), Bar Mill (0.4 mtpa), Wire Rod Mill (0.6 mtpa) and a captive industrial port concession. PL manages the logistic infrastructure of Piombino's port area. GSI is a producer of forged steel balls used in grinding mills with predominant application in mining processing.

e. On 23 October 2018, the Company has acquired an additional stake of 60.004% of the share capital of Dolvi Minerals and Metals Private Limited ("DMMPL"), a subsidiary, for a cash consideration of Rs.109 crores. Pursuant to the acquisition of shares of DMMPL, DMMPL along with its wholly owned subsidiary Dolvi Coke Projects Limited ("DCPL"), have become wholly owned subsidiaries of the Company.

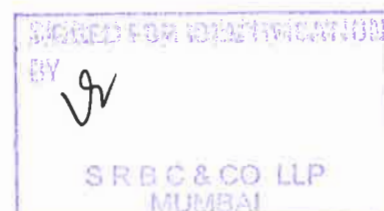
3. The Board of Directors of the Company at their meeting held on 25 October 2018, considered and approved the Scheme of Amalgamation pursuant to sections 230 - 232 and other applicable provisions of the Companies Act, 2013, providing for the merger of its wholly owned subsidiaries, Dolvi Minerals and Metals Private Limited, Dolvi Coke Projects Limited, JSW Steel Processing Centre Limited, and JSW Steel (Salav) Limited with the Company. The merger is subject to regulatory approvals.

4. (i) The Company's units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible and have been availing VAT / CST deferral /refunds historically. The Company currently recognises income for such government grants, on the basis using SGST 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 GST, including incentives on sale to related parties.

The State Government of Maharashtra ('GOM') vide its Government Resolution dated 20 December 2018 has issued the modalities for sanction and disbursement of Incentives under GST regime. However, certain new conditions have been introduced in the Government Resolution, which seeks to deny claiming incentives on related party transactions. The management has evaluated the impact of such change in scheme on the Company and has obtained legal advice on the tenability of the changes in the said scheme. Based on such legal advice, the Company has 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. The process of disbursing incentives sanctioned by the State Government of Karnataka is yet to be notified.

Accordingly, the Company has also recognized grant income in relation to sales to related parties of Rs. 120 Crores and Rs. 375 Crores for quarter and nine months ended 31 December 2018. Further, the company had recognized, in previous year, grant income in relation to sales to related parties of Rs. 361 crores for the year ended 31 March 2018. The cumulative amount receivable towards the same as at 31 December 2018 amounting to Rs. 736 Crores has been considered good and recoverable

(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 nine months ended 31 December 2018 is not comparable to the nine months ended 31 December 2017.



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. 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 5 February 2019 and 6 February 2019 respectively. The Statutory Auditors have carried out a Limited Review of the results for the quarter and nine months ended 31 December 2018.

For JSW Steel Limited



Seshagiri Rao M.V.S

Jt. Managing Director & Group CFO

6 February 2019



Limited Review Report**Review Report to
The Board of Directors
JSW Steel Limited**

1. We have reviewed the accompanying statement of unaudited consolidated Ind AS financial results of JSW Group comprising of JSW Steel Limited (the 'Company'), its subsidiaries and its joint ventures (together referred to as 'the Group'), for the quarter ended December 31, 2018 and year to date from April 1, 2018 to December 31, 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 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('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 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 issue 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 financial information of subsidiaries and joint ventures, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated Ind AS financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards 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 the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to note 4 (a) of the Statement, which fully describes the effect of Government Resolution dated 20 December 2018 issued by the Government of Maharashtra ('GOM') imposing additional conditions in respect of modalities for sanction and disbursement of incentives under the GST regime for which the Company has filed representations with GOM based on legal advice received. Our conclusion is not modified in respect of this matter.
6. We did not review the financial results and other financial information, in respect of 8 subsidiaries, whose Ind AS financial results include total revenues of Rs. 2,408 crores and Rs. 6,358 crores for the quarter and the period ended December 31, 2018. These Ind AS financial results and other financial information have been reviewed by other auditors, whose financial results, other financial information and auditors' reports have been furnished to us by the management.



S R B C & CO LLP

Chartered Accountants

JSW Steel Limited

Limited review report for the quarter and nine months ended December 31, 2018

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The accompanying consolidated Ind AS financial results also includes the Group's share of net loss of Rs. 21 crores and Rs. 26 crores for the quarter and for the period ended December 31, 2018 respectively, in respect of 6 joint ventures, whose financial results, other financial information have been reviewed by other auditors and whose reports have been furnished to us 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 report of other auditors. Our conclusion is not modified in respect of this 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 Company'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 Company's management.

Our conclusion in so far as it relates to the affairs of such subsidiaries and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and reviewed by us.

8. The Statement includes unaudited financial results and other unaudited financial information in respect of 24 subsidiaries, whose financial results and other financial information reflect total revenues of Rs. 8 crores and Rs. 24 crores for the quarter and the period ended as on that date, respectively. These unaudited financial results and other unaudited financial information have been furnished to us by the management.

The Statement also include the Group's share of net profit of Rs. 5 crores and Rs. 29 crores for the quarter and for the period ended December 31, 2018 respectively, in respect of 4 joint ventures, whose financial results and other financial information have not been reviewed and whose unaudited financial results, other unaudited financial information have been 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 statement and other unaudited financial information. According to the information and explanations given to us by the management, these financial results and other financial information are not material to the Group. 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

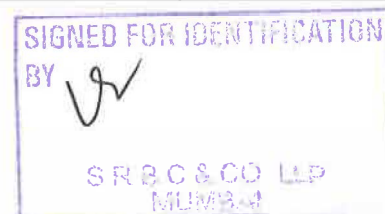
February 06, 2019

Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended 31 December 2018

Rs. in Crores

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited *	Unaudited	Unaudited *	Audited *
I	Revenue from operations						
	a) Gross sales	19,821	20,891	17,949	60,662	50,907	71,349
	b) Other operating income	497	661	315	1,727	968	1,862
	Total Revenue from operations	20,318	21,552	18,264	62,389	51,875	73,211
II	Other Income	37	56	42	151	122	167
III	Total Income (I+II)	20,355	21,608	18,306	62,540	51,997	73,378
IV	Expenses						
	a) Cost of materials consumed	11,611	11,068	9,695	33,340	28,018	38,779
	b) Purchases of stock-in-trade	193	35	-	244	2	2
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,647)	(173)	369	(2,284)	186	244
	d) Employee benefits expense	667	586	460	1,788	1,372	1,843
	e) Finance costs	1,021	963	923	2,871	2,818	3,701
	f) Depreciation and amortisation expense	1,078	974	852	2,957	2,522	3,387
	g) Excise duty expenses	-	-	-	-	1,278	1,278
	h) Power and fuel	1,905	1,896	1,437	5,409	4,182	5,697
	i) Other expenses	3,088	3,234	2,452	9,380	7,333	10,574
	Total expenses (IV)	17,916	18,583	16,188	53,705	47,711	65,505
V	Profit before exceptional items and tax (III-IV)	2,439	3,025	2,118	8,835	4,286	7,873
VI	Exceptional Items	-	-	264	-	264	264
VII	Profit before tax (V-VI)	2,439	3,025	1,854	8,835	4,022	7,609
VIII	Tax expense						
	a) Current tax	604	677	376	2,033	889	1,826
	b) Deferred tax	216	259	(282)	776	(66)	(288)
IX	Net Profit after tax for the period / year (VII-VIII)	1,619	2,089	1,760	6,026	3,199	6,071
X	Share of profit/(loss) from joint ventures (net)	(16)	(2)	14	3	35	42
XI	Net Profit for the period / year (IX+X)	1,603	2,087	1,774	6,029	3,234	6,113
XII	Other comprehensive income (OCI)						
	(A) (i) Items that will not be reclassified to profit or loss	65	(45)	190	(57)	293	87
	(ii) Income tax relating to items that will not be reclassified to profit or loss	4	-	1	5	4	2
	(B) (i) Items that will be reclassified to profit or loss	596	(370)	257	(76)	(134)	(425)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(201)	110	(76)	(3)	53	150
	Total other comprehensive income /(loss)	464	(305)	372	(131)	216	(186)
XIII	Total comprehensive income for the period / year (Comprising Profit and Other comprehensive income for the period/year) (XI+XII)	2,067	1,782	2,146	5,898	3,450	5,927
XIV	Net Profit / (loss) for the period/year attributable to:						
	-Owners of the Company	1,624	2,126	1,753	6,116	3,218	6,214
	-Non-controlling interests	(21)	(39)	21	(87)	16	(101)
		1,603	2,087	1,774	6,029	3,234	6,113
XV	Other comprehensive income / (loss)						
	-Owners of the Company	448	(282)	362	(103)	210	(184)
	-Non-controlling interests	16	(23)	10	(28)	6	(2)
		464	(305)	372	(131)	216	(186)
XVI	Total comprehensive income / (loss) for the period/year attributable to:						
	-Owners of the Company	2,072	1,844	2,115	6,013	3,428	6,030
	-Non-controlling interests	(5)	(62)	31	(115)	22	(103)
		2,067	1,782	2,146	5,898	3,450	5,927
XVII	Paid up Equity Share Capital (face value of Re. 1 per share)	240	240	241	240	241	241
XVIII	Other Equity excluding Revaluation Reserves						27,696
XIX	Earnings per equity share (not annualised)						
	Basic (Rs.)	6.76	8.83	7.28	25.43	13.38	25.85
	Diluted (Rs.)	6.72	8.79	7.25	25.30	13.31	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 and nine months 31 December 2017 and year ended 31 March 2018 is higher by Rs. 403 crores, Rs. 1,189 crores and Rs. 1,708 crores respectively with the corresponding increase in Other expenses.

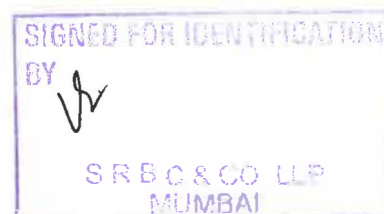
Further, the export benefits amounting to Rs. 123 crores and Rs. 346 crores for the quarter and nine months ended 31 December 2017 respectively and Rs. 450 crores for the year ended 31 March 2018 which was earlier included as part of Revenue from operations has been reclassified to Other operating income.

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

2. a) 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 (USD 80.85 million). 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.

- b) Pursuant to the Corporate Insolvency Resolution process under the Insolvency Bankruptcy Code, 2016 initiated on 18 July 2017, the National Company Law Tribunal ('NCLT') on 24 July 2018 (Order date) approved (with modifications) the resolution plan submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited. The consortium completed the acquisition of Monnet Ispat & Energy Limited ("MIEL") through their jointly controlled entity Creixent Special Steels Limited ("CSSL") on 31 August 2018. MIEL has steel plants in the state of Chhattisgarh with Blast furnace and DRI facility of 1.5 MTPA. The Company has an effective shareholding of 23.1% in MIEL and has accounted this acquisition under equity method.
- c) The Resolution Plan submitted by the Company for Vardhman Industries Limited (VIL) was approved with some modification, by the Hon'ble NCLT New Delhi, by its order dated 19 December 2018 under Section 31 of the Insolvency and Bankruptcy Code, 2016 (NCLT Order). The Company has filed an application before the Hon'ble NCLT seeking certain clarifications/modifications to the NCLT Order. The Hon'ble NCLT, by its order dated 7 January 2019, has deferred the implementation of the resolution Plan until clarifications are processed by the Regular Bench. The hearing on the Clarification Application is concluded on 28 January 2019 and it is reserved for orders. Meanwhile, an Appeal has been filed before Hon'ble National Company Law Appellate Tribunal ('NCLAT') on 1 February 2019 and the same is yet to be listed for hearing.



- d) On 24 July 2018, the Company through its wholly owned subsidiary in Italy, JSW Steel Italy S.r.l, completed acquisition of 100% shares each of Aferpi S.p.A ("Aferpi") and Piombino Logistics S.p.A ("PL") and 69.27% of the shares of GSI Lucchini S.p.A ("GSI") (collectively referred to as "Targets") for a consideration of Rs. 482 crores (Euro 59.90 million) towards acquisition of equity shares and Rs. 100 crores (Euro 12.38 million) towards acquisition of loans provided by the erstwhile shareholders of the targets.

Aferpi produces and distributes special long steel products viz rails, wire rods and bars. It has a plant at Piombino in Italy, comprising a Rail Mill (0.32 mtpa), Bar Mill (0.4 mtpa), Wire Rod Mill (0.6 mtpa) and a captive industrial port concession. PL manages the logistic infrastructure of Piombino's port area. GSI is a producer of forged steel balls used in grinding mills with predominant application in mining processing.

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.

All these acquisitions do not have material impact on the results for the quarter and nine months ended 31 December 2018.

3. On 23 October 2018, the Company has acquired an additional stake of 60.004% of the share capital of Dolvi Minerals and Metals Private Limited ("DMMPL"), a subsidiary, for a cash consideration of Rs.109 crores. Pursuant to the acquisition of shares of DMMPL, DMMPL along with its wholly owned subsidiary Dolvi Coke Projects Limited ("DCPL"), have become wholly owned subsidiaries of the Company.
4. a) The Group's units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible and have been availing VAT / CST deferral /refunds historically. The Group currently recognises income for such government grants, on the basis using SGST 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 GST, including incentives on sale to related parties.

The State Government of Maharashtra ('GOM') vide its Government Resolution dated 20th December 2018 has issued the modalities for sanction and disbursement of Incentives under GST regime. However, certain new conditions have been introduced in the Government Resolution, which seeks to deny claiming incentives on related party transactions. The management has evaluated the impact of such change in scheme on the Group and has obtained legal advice on the tenability of the changes in the said scheme. Based on such legal advice, the Company has made the representation to GOM and believes that said Incentives would continue to be made available to the Group under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately. The process of disbursing incentives sanctioned by the State Government of Karnataka is yet to be notified.

Accordingly, the Group has also recognized grant income in relation to sales to related parties of Rs. 142 crores and Rs. 431 crores for quarter and nine months ended 31 December 2018. Further, the Group has recognized, in previous year, grant income in relation to sales to related parties of Rs. 418 crores for the year ended 31 March 2018. The cumulative amount receivable towards the same as at 31 December 2018 amounting to Rs. 849 crores have been considered good and recoverable.



- 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 nine months ended 31 December 2018 is not comparable to the nine months ended 31 December 2017.
5. 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.
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 5 February 2019 and 6 February 2019 respectively. The Statutory Auditors have carried out a Limited Review of the results for the quarter and nine months ended 31 December 2018.

For JSW Steel Limited



Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
6 February 2019



JSW Steel post 17% higher EBIDTA at ₹ 4,501 crores

Mumbai, India: JSW Steel Limited ("JSW Steel" or the "Company") today reported its results for the third quarter and the nine months ended 31st Dec, 2018 ("3Q FY2019" or the "Quarter" and "9 months FY2019").

Key highlights of the quarter:
Standalone Performance:

- Crude Steel production: 4.23 million tonnes, up by 3% YoY
- Saleable Steel sales: 3.68 million tonnes, down by 7% YoY
- Revenue from operations: ₹ 18,393 crores, up by 9% YoY
- Operating EBIDTA: ₹ 4,438 crores, up by 24% YoY
- PAT: ₹ 1,892 crores, up by 68% YoY

Consolidated Performance:

- Quarterly Saleable Steel sales: 3.62 million tonnes, lower by 10% YoY
- Revenue from operations: ₹ 20,318 crores, up by 11% YoY
- Operating EBIDTA: ₹ 4,501 crores, up by 17% YoY
- PAT: ₹ 1,603 crores, down by 10% YoY
- Net Debt to Equity : 1.40x and Net Debt to EBIDTA : 2.32x

Operational Performance:

The details of production and sales volumes are as under:

Particulars	(Million tonnes)					
	3Q FY2019	3Q FY2018	%YOY Growth	9M FY2019	9M FY2018	%YOY Growth
Production: Crude Steel	4.23	4.11	3%	12.52	11.96	5%
Sales:						
- Rolled: Flat	2.61	2.80	-7%	8.21	8.20	-
- Rolled: Long	0.89	0.90	-1%	2.66	2.51	6%
- Semis	0.17	0.27	-37%	0.60	0.69	-13%
Total Saleable Steel	3.68	3.97	-7%	11.46	11.40	1%

Crude Steel production during the quarter increased by 3% YoY to 4.23 million tonnes aided by higher capacity utilization at both Vijayanagar and Dolvi works. With 9MFY2019 production at 74.7% of FY2019 guidance, the company is on track to achieve the crude steel production guidance of 16.75 MTPA for FY2019.

As domestic demand remained firm during the quarter, the company strategically focused on increasing sales to domestic markets. However, exports during the quarter dropped sharply as both steel demand and pricing in international markets witnessed a soft patch, driving overall destocking and weak offtake. As a result, saleable steel sales volume for the quarter stood at 3.68 million tonnes, which was lower by 7% YoY

With 9MFY2019 sales volumes at 71.6% of full year guidance, and lost volumes unlikely to be recouped during the fourth quarter, the Company's overall sales volumes for FY2019 is likely to fall short of our guidance of 16 MTPA by 2 to 3%.

On a consolidated basis, the company continued to gain market share as domestic sales surged by 15% YoY, with sales to the Automotive sector increasing by 23% YoY. However, exports declined by 70% YoY due to muted demand and weak pricing, and exports accounted for only 10% of total sales. As a result, consolidated saleable steel sales declined by 10% YoY to 3.62 million tonnes during the quarter. Sales of value added and special products (VASP) accounted for 54% of total sales volumes.

Standalone Financial Performance:

The Company's revenue from operations increased by 9% YoY to ₹ 18,393 crores, during the quarter, primarily driven by higher steel prices and better product mix. Despite an increase in costs of key inputs like iron ore, coal, energy prices, and other consumables, operating EBITDA for the quarter surged by 24% YoY to ₹ 4,438 crores and EBITDA margin stood at 24.1%. The net profit after tax increased by 68% YoY to ₹ 1,892 crores.

The net gearing (Net Debt to Equity) stood at 1.24x at the end of the quarter (as against 1.30x at the end of Q2 FY2019) and Net Debt to EBITDA stood at 2.16x (as against 2.22x at the end of Q2 FY2019).

Subsidiaries' Performance:

JSW Steel Coated Products:

During the quarter, JSW Steel Coated Products registered a production volume (Galvanised/Galvalume products) of 0.42 million tons and sales volume of 0.42 million tonnes.

Revenue from operations and Operating EBITDA for the quarter stood at ₹ 2,964 crores and ₹ 97 crores respectively. It reported a Net Profit after Tax of ₹ 18 crores for the quarter.

US Plate and Pipe Mill:

The US based Plate and Pipe Mill facility produced 91,183 net tonnes of Plates and 16,367 net tonnes of Pipes, reporting a capacity utilization of 38% and 12%, respectively, during the quarter. Sales volumes for the quarter stood at 69,634 net tonnes of Plates and 16,737 net tonnes of Pipes. It reported an EBITDA of \$4.06 million for the quarter.

JSW Steel USA Ohio Inc (Acero) :

The US based HR coil manufacturing facility produced 55,438 net tonnes of HRC during the quarter. Sales volumes for the quarter stood at 47,339 net tonnes. It reported an EBITDA loss of \$10.55 million for the quarter.

JSW Steel (Italy) S.r.l. (Aferpi) :

The Italy based Rolled long products manufacturing facility produced 68,036 tonnes of and Sold 45,948 tonnes during the quarter. It reported an EBITDA loss of 7.36 million Euros for the quarter.

Consolidated Financial Performance:

JSW Steel's consolidated Revenue from operations increased by 11% YoY to ₹ 20,318 crores for the quarter. Operating EBITDA increased by 17% YoY to ₹ 4,501 crores, implying a margin of 22.2%. The Net Profit after Tax for the quarter declined by 10% YoY to ₹ 1,603 crores, after incorporating the financials of subsidiaries, joint ventures and associates.

The Company's Balance sheet continues to remain strong with consolidated Net gearing (Net Debt to Equity) stood at 1.40x at the end of the quarter (as against 1.46x at the end of Q2 FY2019) and Net Debt to EBITDA of 2.32x (as against 2.35x at the end of Q2 FY2019).

Projects and Capex update:

The following projects were completed in Q3 FY2019

- Battery A (0.75 MTPA) of Coke oven plant at Dolvi commenced commercial production from 1st November 2018 and Battery B (0.75 MTPA) is currently under trial run.
- Tin Plate line with a capacity of 0.25 MTPA at Tarapur is completed and under trial run.
- Pipe conveyor project at Vijayanagar for iron ore transportation – initial phases are under trial run.

All the other key projects viz. augmenting crude steel capacity at Dolvi works from 5 MTPA to 10 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.

The project to augment Dolvi capacity from 10 to 10.66 MTPA entailing increase in DRI capacity at Salav and modification of SMS at Dolvi for Hot Charging of DRI is currently under review pending receipt of requisite environmental clearances.

Outlook

The International Monetary Fund (IMF) has revised CY 2019 global growth forecast to 3.5% (from 3.7%). The US growth remains underpinned by tight labour markets, fiscal impulse and Federal Reserve's accommodative stance. The Euro area growth outlook has softened on back of weak industrial growth and soft private consumption. Japan's growth outlook remains firm aided by fiscal support expectations. Chinese growth has moderated, but calibrated fiscal and monetary policy measures are underway. However, escalating trade measures and political uncertainty pose risks to the global growth outlook.

Global Steel prices softened during the quarter driven by weaker demand and destocking. Chinese steel production and exports moderated during the quarter.

India continues to remain a bright spot and in CY2018 emerged as the second largest producer of steel globally, the third largest consumer globally, and had the distinction of witnessing 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 countries like Japan and South Korea who enjoy a Free Trade Agreement.

India's Q3 FY2019 crude steel production grew by 1.5% YoY, while the apparent finished steel consumption grew by 8.1%. Imports during this period surged by 7.9% YoY and exports declined by 39.5% YoY.

In India, a strong momentum in government spending on infrastructure is driving an increase in Gross Fixed Capital Formation (GFCF). Additional budgetary allocation in the Interim Budget 2019 towards infrastructure, railways and defense are key positives.

Additionally, a Fiscal stimulus of INR ~1 trillion in the Interim Budget via Direct Income Support scheme, pension benefits and tax rebates are expected to spur rural spending and aid overall consumer demand.

Tailwinds of recent decline in crude oil prices in late 2018, moderating inflation and easing liquidity are clearly visible. However, escalating international trade tensions are headwinds to exports.

About JSW Steel Ltd.: *JSW Steel Ltd. is the flagship company of the diversified US\$ 13 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.

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