



Ref: JSWSL: SEC: MUM: 2018-19
April 05, 2019



Regd. Office : JSW Centre,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

<p>1. National Stock Exchange of India Ltd. Exchange Plaza Bandra (E), Mumbai – 400 051 Tel: 2659 8235/8452 Fax No.: 2659 8237-38 NSE Symbol: JSWSTEEL</p> <p><i>Kind Attn.: Mr. Hari K, President (Listing)</i></p>	<p>2. BSE Limited Corporate Relationship Dept. Dalal Street, Mumbai - 400 001. Tel: 2272 1233/8058 Extn- 8013 Fax No. 2272 2037/2039/ 2041/ 20 61 Scrip Code No.500228.</p> <p><i>Kind Attn: The General Manager (CRD).</i></p>
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Sub: Intimation under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Offering Circular for the issue of foreign currency denominated Notes

Dear Sir,

Please refer to our letter dated May 17, 2017 whereby we had informed the stock exchanges that the Board of Directors of JSW Steel Limited (the “Company”) in its meeting held on May 17, 2017 had approved raising of long term funds through the issuance of non-convertible foreign currency/Rupee denominated senior unsecured fixed rate bonds upto USD 1 billion (the “Notes”), in one or more tranches, in the international market(s) either by the Company or by any of its overseas subsidiaries backed by corporate guarantee of the Company.

We hereby inform you that the Company is contemplating issuing of debt instruments in the form of US Dollar denominated senior notes, subject to market conditions.

We would also like to inform the stock exchanges that the senior management team of the Company together with the joint lead managers appointed for the proposed issue of Notes shall engage in calls with institutional investors, analysts, amongst others, outside of India, in relation to the proposed issuance. A copy of the Investors Presentation is available on the Company’s website www.jsw.in.

The schedule of the investor meets is set out below:

Date	Place of investor meets	Type
April 8, 2019	Hong Kong	Investor meets
April 9, 2019	Singapore	Investor meets
April 9, 2019	London	Investor meets

A preliminary offering circular (“OC”) has been prepared and shall be made available to the prospective investors in relation to the contemplated issue of Notes. The Notes will not be offered or sold in India.





The OC contains certain unpublished material information about the Company. In accordance with the Company's disclosure obligations on account of its securities being listed in India, the Company would like to make such unpublished information available to the public, in the form of reviewed standalone and consolidated condensed interim financial statements of the Company as at and for the nine months period ended December 31, 2018, as attached, and the investor presentation, which is available on the Company's website www.jsw.in.

You are requested to take the same on record and treat the same as compliance under applicable regulations under the Listing Regulations and acknowledge receipt.

Thanking you,

Yours faithfully,
For JSW STEEL LIMITED


Lancy Varghese
Company Secretary

cc:

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

Note:

The Notes will not be offered or sold, and have not been offered or sold in India by means of any document or any other offering document or material relating to the bonds, directly or indirectly, to any person or to the public in India which would constitute an advertisement, invitation, offer, sale or solicitation of an offer to subscribe for or purchase any securities in violation of applicable Indian laws.

This information relates to an offering of the Notes offered and sold pursuant to Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act"). This information is not an offer of securities for sale in the United States. The Notes referred to herein have not been and will not be registered under the Securities Act or the laws of any state of the United States or elsewhere and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws of the United States. There is no intention to register any portion of any offering in the United States or to conduct a public offering of securities in the United States or in any other jurisdiction. Nothing in this communication shall constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such offer or sale would be unlawful. No money, securities or other consideration is being solicited by this announcement or the information contained herein and, if sent in response to this announcement or the information contained herein, will not be accepted.



Report on Review of Unaudited Condensed Consolidated Interim Financial Statements**To the Board of Directors of JSW Steel Limited**

We have reviewed the accompanying Unaudited Condensed Consolidated Interim Financial Statements of JSW Steel Limited (the "Company") including its subsidiaries (together referred to as "the Group") and its joint ventures, which comprises the Unaudited Condensed Consolidated Interim Balance Sheet as at December 31, 2018, the Unaudited Condensed Consolidated Interim Statement of Profit and Loss (including other comprehensive income), the Unaudited Condensed Consolidated Interim Statement of Cash Flow and the Unaudited Condensed Consolidated Interim Statement of Changes in Equity for the nine months period then ended, and selected explanatory notes (together hereinafter referred to as the "Unaudited Condensed Consolidated Interim Financial Statements"). The Unaudited Condensed Consolidated Interim Financial Statements have been prepared by the Company for the purpose of inclusion in the Offering Circulars in connection with the proposed issuance of foreign currency notes to be listed on Singapore Stock Exchange.

Management's Responsibility for the Unaudited Condensed Consolidated Interim Financial Statements

The Company's Board of Directors is responsible with respect to the preparation of these Unaudited Condensed Consolidated Interim Financial Statements in accordance with the requirements of Indian Accounting Standard 34 - Interim Financial Reporting ("Ind AS 34"), specified under section 133 of the Companies Act, 2013 (the "Act"), read with the relevant rules issued thereunder and other recognised accounting principle and policies.

Auditor's Responsibility for the Unaudited Condensed Consolidated Interim Financial Statements

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity", issued by the Institute of Chartered Accountants of India. This standard require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from 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.

Conclusion

Based on our review conducted as above and based on the consideration of the reports of other auditors on the unaudited condensed interim financial statements of the Company's subsidiaries and joint ventures, nothing has come to our attention that causes us to believe that the accompanying Unaudited Condensed Consolidated Interim Financial Statements are not prepared, in all material respects, in accordance with the requirements of Indian Accounting Standard 34, Interim Financial Reporting ("Ind AS 34") as specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies.



Emphasis of Matter

We draw attention to note 20. a) of the Unaudited Condensed Consolidated Interim Financial Statements, which fully describes the effect of Government Resolution dated December 20, 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.

Other Matters

We did not review unaudited condensed interim financial statements considered in the preparation of the Unaudited Condensed Consolidated Interim Financial Statements, in respect of 8 subsidiaries, whose unaudited condensed interim financial statements reflect total assets of Rs. 98,440.6 million as at December 31, 2018, and total revenues of Rs. 63,575.4 million and net cash inflows amounting to Rs. 2,902.8 million for the nine months ended on that date. These unaudited condensed interim financial statements have been reviewed by other auditors and whose reports have been furnished to us by the management.

The Unaudited Condensed Consolidated Interim Financial Statements also include the Group's share of net loss after tax of Rs. 257.9 million for the nine months ended December 31, 2018, in respect of 6 joint ventures, whose unaudited condensed interim financial statements 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.

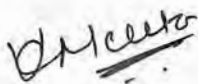
We did not review unaudited condensed interim financial statements considered in the preparation of the Unaudited Condensed Consolidated Interim Financial Statements, in respect of 24 subsidiaries, whose unaudited condensed interim financial statements reflect total assets of Rs. 32,812.6 million as at December 31, 2018 and total revenues of Rs. 235.2 million and net cash inflows of Rs. 281.1 million for the nine months ended on that date. These unaudited condensed interim financial statements have been certified by the management and have not been reviewed.

The Unaudited Condensed Consolidated Interim Financial Statements also includes the Group's share of net profit after tax of Rs. 284.9 million for the nine months ended December 31, 2018, in respect of 4 joint ventures, whose unaudited condensed interim financial statements have not been reviewed and are considered in the preparation of the Unaudited Condensed Consolidated Interim Financial Statements based on their unaudited condensed interim financial statements which are certified by the Management. Our conclusion, in so far as it relates to the affairs of such subsidiaries and joint ventures, is based solely on the management accounts of these entities. Our conclusion is not modified in respect of this matter.



The accompanying Unaudited Condensed Consolidated Interim Financial Statements have been prepared solely for the purpose of inclusion in the Offering Circulars in connection with the proposed issuance of foreign currency notes by the Company to be listed on Singapore Stock Exchange. Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Vikram Mehta
Partner
Membership Number: 105938
Place of Signature: Mumbai
Date: February 28, 2019



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM BALANCE SHEET AS AT 31 DECEMBER 2018

	Notes	Rs. in million	
		As at 31 December 2018	As at 31 March 2018
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	604,094	570,544
(b) Capital work-in-progress		100,596	56,285
(c) Goodwill	4	8,819	7,071
(d) Other intangible assets		1,148	868
(e) Intangible assets under development		4,281	3,206
(f) Investments in joint ventures		6,280	3,605
(g) Financial assets			
(i) Investments		11,303	7,961
(ii) Loans		5,049	3,782
(iii) Other financial assets		2,394	2,930
(h) Current tax assets (net)		2,435	2,706
(i) Deferred tax assets (net)		819	481
(j) Other non-current assets		35,555	28,808
Total non-current assets		782,773	688,247
(2) Current assets			
(a) Inventories		169,060	125,944
(b) Financial assets			
(i) Investments		1,847	3,120
(ii) Trade receivables		67,152	47,040
(iii) Cash and cash equivalents		9,134	5,816
(iv) Bank balances other than (iii) above		4,152	4,809
(v) Loans		1,423	2,298
(vi) Derivative assets		2,443	1,515
(vii) Other financial assets		7,235	5,299
(c) Current tax assets (net)		46	56
(d) Other current assets		43,818	35,992
(e) Assets classified as held for sale		72	30
Total current assets		306,382	231,919
TOTAL - ASSETS		1,089,155	920,166
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital		3,012	3,017
(b) Other equity		328,925	276,957
Equity attributable to owners of the Company		331,937	279,974
Non-controlling interests		(4,130)	(4,641)
Total equity		327,807	275,333



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM BALANCE SHEET AS AT 31 DECEMBER 2018 (Continued)

	Notes	Rs. in million	
		As at 31 December 2018	As at 31 March 2018
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	5 (a)	305,066	317,229
(ii) Other financial liabilities		3,316	9,194
(b) Provisions		2,463	1,377
(c) Deferred tax liabilities (net)		35,196	26,043
(d) Other non-current liabilities		1,295	1,361
Total non-current liabilities		347,336	355,204
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	5 (b)	74,974	21,771
(ii) Trade payables		169,574	159,437
(iii) Derivative liabilities		4,162	964
(iv) Other financial liabilities		139,637	86,127
(b) Other current liabilities		20,037	15,645
(c) Provisions		1,371	1,841
(d) Current tax liabilities (net)		4,257	3,844
Total current liabilities		414,012	289,629
Total liabilities		761,348	644,833
TOTAL – EQUITY AND LIABILITIES		1,089,155	920,166

See accompanying notes forming part of the Unaudited Condensed Consolidated Interim Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **VIKRAM MEHTA**
Partner
Membership No. 105938

Place: Mumbai
Date: 28 February 2019



For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

Place: Mumbai
Date: 28 February 2019

SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO
DIN 00029136

JAYANT ACHARYA
Director (Commercial & Marketing)
DIN 00106543



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

		Rs. in million	
		For the nine months ended	
		31 December 2018	31 December 2017 *
	Notes		
I	Revenue from operations	623,895	520,126
II	Other income	1,507	1,220
III	Total income (I + II)	625,402	521,346
IV	Expenses		
	Cost of materials consumed	333,404	280,178
	Purchases of stock-in-trade	2,436	20
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(22,841)	1,870
	Employee benefits expense	17,882	13,719
	Finance costs	28,714	28,183
	Depreciation and amortization expense	29,566	25,218
	Excise duty expense	-	12,780
	Other expenses	147,898	115,152
	Total expenses	537,059	477,120
V	Profit before tax and exceptional items (III-IV)	88,343	44,226
VI	Exceptional items	14	2,635
VII	Profit before tax (V-VI)	88,343	41,591
VIII	Tax expense/(benefit)		
	Current tax	20,328	8,939
	Deferred tax (refer note 15)	7,759	(638)
		28,087	8,301
IX	Profit for the period (VII-VIII)	60,256	33,290
X	Share of profit / (loss) from joint ventures (net)	27	350
XI	Total Profit for the period (IX+X)	60,283	33,640



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018 (Continued)

	Notes	Rs. in million	
		For the nine months ended	
		31 December 2018	31 December 2017 *
XII Other comprehensive income / (loss)			
A (i) Items that will not be reclassified to profit or loss			
a) Remeasurement losses of the defined benefit plans		(146)	(88)
b) Equity instruments through other comprehensive income		(424)	3,018
(ii) Income tax relating to items that will not be reclassified to profit or loss		49	31
Total (A)		(521)	2,961
B (i) Items that will be reclassified to profit or loss			
a) The effective portion of gain / (loss) on hedging instruments		1,650	(2,017)
b) Changes in Foreign currency monetary item translation difference account (FCMITDA)		(1,575)	473
c) Foreign currency translation reserve (FCTR)		(827)	207
(ii) Income tax relating to items that will be reclassified to profit or loss		(26)	535
Total (B)		(778)	(802)
Total other comprehensive income/(loss) (A+B)		(1,299)	2,159
XIII Total comprehensive income/(loss) (XI+XII)		58,984	35,799
Total Profit /(loss) for the period attributable to:			
- Owners of the Company		61,153	33,477
- Non-controlling interests		(870)	163
		60,283	33,640
Other comprehensive income/(loss) for the period attributable to:			
- Owners of the Company		(1,014)	2,102
- Non-controlling interests		(285)	57
		(1,299)	2,159
Total comprehensive income/(loss) for the period attributable to:			
- Owners of the Company		60,139	35,579
- Non-controlling interests		(1,155)	220
		58,984	35,799
XIV Earnings per equity share of Re 1 each (not annualized)	6		
Basic (in Rs.)		25.43	13.93
Diluted (in Rs.)		25.30	13.85

* Restated (refer note 19)

See accompanying notes forming part of the Unaudited Condensed Consolidated Interim Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003


per VIKRAM MEHTA

Partner
Membership No. 105938

Place: Mumbai

Date: 28 February 2019



For and on behalf of the Board of Directors


RAJEEV PAI

Chief Financial Officer



SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO
DIN 00029136


NANCY VARGHESE

Company Secretary
ICSI Membership No. FCS 9407

Place: Mumbai

Date: 28 February 2019


JAYANT ACHARYA

Director (Commercial & Marketing)
DIN 00106543



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

A. Equity share capital

For the nine months ended 31 December 2018

Rs. in million		
As at 1 April 2018	Movement during the period	As at 31 December 2018
3,017	(5)	3,012

For the nine months ended 31 December 2017

Rs. in million		
As at 1 April 2017	Movement during the period	As at 31 December 2017
3,013	4	3,017



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 DECEMBER 2018 (Continued)

B. Other equity

For the nine months ended 31 December 2018

	Reserves and surplus								Other comprehensive income / (loss)				Rs. in million		
	Capital reserve	Securities premium reserve	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Capital reserve on bargain purchase	FCTR	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCMITDA	Attributable to owners of the parent	Non-controlling interest (NCI)	Total
Balance as at 1 April 2018	35,845	54,166	1,494	1,406	75,283	411	102,809	6,093	(5,183)	4,777	106	(250)	276,957	(4,641)	272,316
Profit for the period	-	-	-	-	61,153	-	-	-	-	-	-	-	61,153	(870)	60,283
Other comprehensive income / (loss) for the period, net of income tax	-	-	-	-	(97)	-	-	-	(542)	(424)	1,073	(1,024)	(1,014)	(285)	(1,299)
Dividend including dividend distribution tax	-	-	-	-	(9,325)	-	-	-	-	-	-	-	(9,325)	-	(9,325)
Impact of ESOP trust consolidation	-	-	-	-	(1,486)	-	-	-	-	-	-	-	(1,486)	-	(1,486)
Recognition of share-based payments	-	-	-	-	-	350	-	-	-	-	-	-	350	-	350
Transfer between the reserves	-	-	3,216	-	-	-	(3,216)	-	-	-	-	-	-	-	-
Acquisition of subsidiaries (refer note 13)	-	-	-	-	-	-	-	4,215	-	-	-	-	4,215	593	4,808
Acquisition of non-controlling interests (refer note 18)	-	-	-	-	(1,898)	-	-	-	-	-	-	-	(1,898)	806	(1,092)
Impact of compound financial instruments, net of taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	267	267
Others	-	-	-	-	(27)	-	-	-	-	-	-	-	(27)	-	(27)
Balance as at 31 December 2018	35,845	54,166	4,710	1,406	123,603	761	99,593	10,308	(5,725)	4,353	1,179	(1,274)	328,925	(4,130)	324,795



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 DECEMBER 2018 (Continued)

For the nine months ended 31 December 2017

	Reserves and surplus								Other comprehensive income / (loss)				Rs. in million		
	Capital reserve	Securities premium reserve	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Capital reserve on bargain purchase	FCTR	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCMITDA	Attributable to owners of the parent	Non-controlling interest (NCI)	Total
Balance as at 1 April 2017	35,845	54,166	99	4,328	17,361	129	104,204	6,051	(5,273)	3,862	2,729	(37)	223,464	(2,457)	221,007
Profit for the period	-	-	-	-	33,477	-	-	-	-	-	-	-	33,477	163	33,640
Other comprehensive income / (loss) for the period, net of income tax	-	-	-	-	(57)	-	-	-	150	3,018	(1,319)	310	2,102	57	2,159
Dividends including dividend distribution tax	-	-	-	-	(6,546)	-	-	-	-	-	-	-	(6,546)	-	(6,546)
Impact of ESOP trust consolidation	-	-	-	-	(96)	-	-	-	-	-	-	-	(96)	-	(96)
Recognition of share based payments	-	-	-	-	-	211	-	-	-	-	-	-	211	-	211
Movement during the period	-	-	698	-	-	-	(698)	(31)	-	-	-	-	(31)	-	(31)
Acquisition of NCI	-	-	-	-	(299)	-	-	-	-	-	-	-	(299)	(1,655)	(1,954)



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 DECEMBER 2018 (Continued)

For the nine months ended 31 December 2017 (Continued)

	Reserves and surplus								Other comprehensive income / (loss)				Attributable to owners of the parent	Non-controlling interest (NCI)	Total
	Capital reserve	Securities premium reserve	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Capital reserve on bargain purchase	FCTR	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCMITDA			
Impact of compound financial instruments, net of taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	444	444
Others	-	-	-	-	-	-	-	-	56	-	-	-	56	-	56
Balance as at 31 December 2017	35,845	54,166	797	4,328	43,840	340	103,506	6,020	(5,067)	6,880	1,410	273	252,338	(3,448)	248,890

See accompanying notes forming part of the Unaudited Condensed Consolidated Interim Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003


per VIKRAM MEHTA

Partner
Membership No. 105938

Place: Mumbai

Date: 28 February 2019





RAJEEV PAI
Chief Financial Officer


LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 28 February 2019

For and on behalf of the Board of Directors


SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO
DIN 00029136


JAYANT ACHARYA
Director (Commercial & Marketing)
DIN 00106543



UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

	Rs. in million	
	For the nine months ended	
	31 December 2018	31 December 2017
A. Cash flow from operating activities		
Net profit before tax	88,343	41,591
Adjustments for:		
Depreciation and amortization expense	29,566	25,218
Loss on sale of property, plant and equipment	(6)	77
Gain on sale of current investments designated as FVTPL	(153)	(115)
Export obligation deferred income amortization	(1,159)	(337)
Interest income	(1,024)	(822)
Dividend income	-	(51)
Interest expense	26,171	22,644
Unrealised exchange (gain)/ loss	1,395	(3,448)
Fair value gain on financial instruments designated as FVTPL	(172)	(113)
Share based payment expense	350	211
Expenses directly recognised in reserves	(27)	-
Allowances for doubtful receivable and advances	1,304	2,635
	56,245	45,899
Operating profit before working capital changes		
Adjustments for :		
Increase in inventories	(40,984)	(6,144)
(Increase) / decrease in trade receivables	(15,821)	(6,281)
Increase in other assets	(10,858)	(20,725)
Increase/ (decrease) in trade payable and other liabilities	3,153	8,603
Increase in provisions	368	382
	(64,142)	(24,165)
Cash flow from operations	80,446	63,325
Income taxes paid	(19,635)	(9,145)
Net cash generated from operating activities	60,811	54,180
B. Cash flow from investing activities		
Payments for property, plant and equipment and intangibles (including capital advances)	(73,926)	(31,812)
Proceeds from sale of property, plant and equipment	203	465
Net cash outflow on acquisition of business / acquisition of NCI	(10,081)	(1,953)
Investment in joint ventures	(4,126)	(455)
Purchase of current investments	(72,292)	40,602
Sale of current investments	73,742	(39,698)
Bank deposits not considered as cash and cash equivalents (net)	(348)	1,129
Interest received	1,035	833
Dividend received	-	51
Net cash used in investing activities	(85,793)	(30,838)



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018 (Continued)

	Rs. in million	
	For the nine months ended	
	31 December 2018	31 December 2017
C. Cash flow from financing activities		
Proceeds of sale of treasury shares		499
Payment for purchase of treasury shares	(1,526)	(592)
Proceeds from non-current borrowings	68,481	55,476
Repayment of non-current borrowings	(53,372)	(65,094)
Proceeds from / repayment of current borrowings (net)	53,203	15,152
Repayment of finance lease obligations	(1,657)	(1,475)
Interest paid (including upfront fees on loans)	(28,093)	(23,514)
Dividend paid (including corporate dividend tax)	(9,325)	(6,546)
Net cash used in financing activities	27,711	(26,094)
Net increase in cash and cash equivalents(A+B+C)	2,729	(2,752)
Cash and cash equivalents at the beginning of period	5,816	9,175
Add: Translation adjustment in cash and cash equivalents	10	(1)
Add: Cash and cash equivalents pursuant to business combinations/acquisition	579	-
Cash and cash equivalents at the end of period	9,134	6,422

See accompanying notes forming part of the Unaudited Condensed Consolidated Interim Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003


per **VIKRAM MEHTA**
Partner
Membership No. 105938



Place: Mumbai
Date: 28 February 2019


RAJEEV PAI
Chief Financial Officer


LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 28 February 2019

For on behalf of the Board of Directors


SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO
DIN 00029136


JAYANT ACHARYA
Director (Commercial & Marketing)
DIN 00106543



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

1. General Information

JSW Steel Limited ("the Company" or 'the Parent') is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Parent and its subsidiaries (together referred to as "the Group") are manufacturer of diverse range of steel products with it's manufacturing facilities located in states of Karnataka, Maharashtra and Tamil Nadu in India and also in the United States of America.

JSW Steel Limited is a public limited company incorporated in India on 15 March 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.

2. Significant Accounting policies

I. Statement of compliance

These Unaudited Condensed Consolidated Interim Financial Statements have been prepared in accordance with the requirements of Indian Accounting Standards 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

II. Basis of preparation and presentation

The Group has prepared these Unaudited Condensed Consolidated Interim Financial Statements which comprise the Unaudited Condensed Consolidated Interim Balance Sheet as at 31 December 2018, the Unaudited Condensed Consolidated Interim Statement of Profit and Loss, the Unaudited Condensed Consolidated Interim Statements of Cash Flows and the Unaudited Condensed Consolidated Interim Statements of Changes in Equity for the nine months ended 31 December 2018, and other explanatory information (together hereinafter referred to as "Unaudited Condensed Consolidated Interim Financial Statements" or "financial statements").

The Unaudited Condensed Consolidated Interim Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period and acquisition of subsidiaries where assets and liabilities are measured at fair values as at the date of acquisition in accordance with Ind AS 103.

The Unaudited Condensed Consolidated Interim Financial Statements do not include all the information and disclosures normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with annual financial statements for the year ended 31 March 2018 and any public announcement made during interim reporting period. The annual financial statements for the year ended 31 March 2018 were prepared in Rs. in crores, however these financial statements have been prepared in Rs. in millions herein.

Accounting policies and methods of computation followed in the Unaudited Condensed Consolidated Interim Financial Statements are same as compared with the annual financial statements for the year ended 31 March 2018, except for adoption of new standard or any pronouncements effective from 1 April 2018.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

Ind AS 115 Revenue from Contracts with Customers, became mandatory for reporting periods beginning on or after 1 April 2018 replaces the existing revenue recognition standards. The Group has applied the full retrospective approach and restated the previous period presented (refer note 19). The Group has adopted following accounting policy for revenue recognition.

Sale of Goods

The Group recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items in a contract when they are highly probable to be provided.

The amount of revenue excludes any amount collected on behalf of third parties.

The Group recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Group and recovered from customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices.

Revenue from sale of by-products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

The application of Ind AS 115 did not have any significant impact on financial statements of the Group.

The Group has not early adopted any other standards, interpretation or amendments that has been issued but is not yet effective.

III. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

The area where estimates are significant to the Unaudited Condensed Consolidated Interim Financial Statements, or areas involving high degree of judgement or complexity, are same as those disclosed in the annual financial statements for the year ended 31 March 2018.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

3. Property, plant and equipment

Rs. in million											
Particulars	Freehold land	Leasehold land	Buildings (owned)	Buildings (on finance lease)	Plant and machinery (owned)	Plant and machinery (on finance lease)	Furniture and fixtures	Vehicles and aircrafts	Office equipment	Mining development and projects	Total
Cost/deemed cost											
At 1 April 2018	14,256	7,103	84,553	92	532,968	27,721	1,191	1,452	691	9,418	679,445
Additions	814	-	3,789	175	31,133	3,855	70	118	61	122	40,137
Acquired pursuant to business combinations	2,541	-	2,052	-	12,407	-	-	2	15	-	17,017
Deductions	57	-	2	-	2,117	-	39	40	6	-	2,261
Other adjustments (refer note below)	-	-	-	-	2,505	-	-	-	-	-	2,505
Translation reserve	16	-	576	-	3,556	-	(2)	3	-	716	4,865
At 31 December 2018	17,570	7,103	90,968	267	580,452	31,576	1,220	1,535	761	10,256	741,708
Accumulated depreciation and impairment											
At 1 April 2018	37	245	11,640	8	85,191	4,868	467	381	295	5,769	108,901
Depreciation expense	-	62	2,951	5	24,700	1,317	106	125	87	23	29,376
Disposals	-	-	1	-	2,036	-	5	19	2	-	2,063
Translation reserve	4	-	127	-	819	-	(2)	3	-	449	1,400
At 31 December 2018	41	307	14,717	13	108,674	6,185	566	490	380	6,241	137,614
Net book value											
At 31 December 2018	17,529	6,796	76,251	254	471,778	25,391	654	1,045	381	4,015	604,094

Note:

Other adjustments comprise of foreign exchange loss and borrowing cost.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

4. Goodwill

Reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period is presented below:

	Rs. in million
Particulars	
Gross carrying amount	
Balance at the beginning of the period	16,422
Additional amount recognised from business combination during the period	1,251
Translation Reserve	1,159
Balance at the end of the period	18,832
Accumulated impairment	
Balance at the beginning of the period	9,351
Translation reserve	662
Balance at the end of the period	10,013
Net Book Value as on 31 December 2018	8,819

5. Borrowings

a) Long term borrowings

Particulars	Rs. in million	
	As at 31 December 2018	As at 31 March 2018
Borrowings – non-current	305,066	317,229
Current maturities of long term borrowings (grouped under Other financial liabilities)	92,860	52,715
Current maturities of finance lease obligations (grouped under Other financial liabilities)	2,531	2,213
	400,457	372,157



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

Movement in borrowings during the nine months ended 31 December 2018

										Rs. in million
Particulars	Foreign currency bonds	Debentures	Rupee Term loan (RTL)	Foreign currency Term loan (FCTL)	Deferred government loan	Finance lease obligations	Preference shares	Upfront fees on RTL	Upfront fees on FCTL	Total borrowings
Opening balance as at 1 April 2018	65,044	47,031	141,910	95,752	975	17,811	5,908	(434)	(1,840)	372,157
Add : Disbursements										
Secured - rupee term loan	-	-	14,068	-	-	-	-	-	-	14,068
Secured - foreign term loan	-	-	-	12,618	-	-	-	-	-	12,618
Unsecured - rupee term loan	-	-	10,500	-	-	-	-	-	-	10,500
Unsecured - foreign term loan	-	-	-	30,449	-	-	-	-	-	30,449
Sales tax deferral	-	-	-	-	844	-	-	-	-	844
Others	-	-	-	2	-	4,030	24	(68)	(901)	3,087
	-	-	24,568	43,069	844	4,030	24	(68)	(901)	71,566
Less : Redemption / Repayments										
Secured- non convertible debentures	-	5,188	-	-	-	-	-	-	-	5,188
Secured - rupee term loans	-	-	15,837	-	-	-	-	-	-	15,837
Secured - foreign currency loan	-	-	-	15,070	-	-	-	-	-	15,070
Unsecured - rupee term loans	-	-	9,000	-	-	-	-	-	-	9,000
Unsecured - foreign currency loan	-	-	-	4,896	-	-	-	-	-	4,896
Sales tax deferral loan	-	-	-	-	156	-	-	-	-	156
Others	-	-	-	-	-	1,657	3,225	-	-	4,882
Total	-	5,188	24,837	19,966	156	1,657	3,225	-	-	55,029
Add: Other movements (refer note below)	4,748	-	-	6,625	(524)	-	304	124	486	11,763
Total borrowings as at 31 December 2018	69,792	41,843	141,641	125,480	1,139	20,184	3,011	(378)	(2,255)	400,457

Note:

Other movements mainly include foreign exchange differences, amortization of upfront fees and interest accrual during the period.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

b) Short term borrowings

Particulars	Rs. in million	
	As at 31 December 2018	As at 31 March 2018
Working capital loans from banks		
Rupee loans	12,665	1,620
Foreign currency loans	8,618	958
Foreign currency loans from bank		6,625
Rupee term loans from banks	4,670	240
Commercial papers	49,021	12,328
Total	74,974	21,771

6. Earnings per share

Particulars	For the nine months ended	
	31 December 2018	31 December 2017
Profit attributable to equity shareholders (A) (Rs. in million)	61,153	33,477
Weighted average number of equity shares for basic EPS (B)	2,404,863,408	2,403,976,682
Effect of dilution :		
Weighted average number of treasury shares held through ESOP trust	12,357,032	13,243,758
Weighted average number of equity shares adjusted for the effect of dilution (C)	2,417,220,440	2,417,220,440
Earnings per share of Re. 1 each (not annualised)		
Basic (Rs.)	(A / B)	25.43
Diluted (Rs.)	(A / C)	25.30

7. Segment reporting

The Group is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Group's performance and resource allocation. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed below:

Information about geographical revenue and non-current assets

a) Revenue from operations

Particulars	Rs. in million					
	For the nine months ended					
	31 December 2018			31 December 2017		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from operations	520,885	103,010	623,895	380,002	140,124	520,126

Particulars	For the year ended		
	31 March 2018		
	Within India	Outside India	Total
Revenue from operations	556,997	175,113	732,110

Revenue from operations has been allocated on the basis of location of customers.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

b) Non-current assets

Particulars	Rs. in million					
	As at 31 December 2018			As at 31 March 2018		
	Within India	Outside India	Total	Within India	Outside India	Total
(a) Property, plant and equipment	541,036	63,058	604,094	525,580	44,964	570,544
(b) Capital work-in-progress	95,058	5,538	100,596	56,109	176	56,285
(c) Goodwill	279	8,540	8,819	279	6,792	7,071
(d) Other intangible assets	922	226	1,148	707	161	868
(e) Intangible assets under development	4,244	37	4,281	3,206	-	3,206
(f) Investment in joint ventures	4,362	1,918	6,280	1,907	1,698	3,605
(g) Other non-current assets	34,264	1,291	35,555	28,111	697	28,808
(h) Current tax assets (net)	2,435	-	2,435	2,706	-	2,706
(i) Financial assets			18,746			14,673
(j) Deferred tax assets (net)			819			481
Total non-current assets			782,773			688,247

Non-current assets have been allocated on the basis of their physical location.

c) No customer contributes more than 10% of the revenue.

8. Categories of financial instruments

As at 31 December 2018

Particulars	Rs. in million				
	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Total Carrying Value	Fair value
Financial assets					
Loans	6,472	-	-	6,472	6,474
Other financial assets	9,629	-	-	9,629	9,629
Trade receivables	67,152	-	-	67,152	67,152
Cash and cash equivalents	9,134	-	-	9,134	9,134
Bank balances other than cash and cash equivalents	4,152	-	-	4,152	4,152
Derivative assets	-	-	2,443	2,443	2,443
Investments	3,638	7,156	2,356	13,150	13,149
Total financial assets	100,177	7,156	4,799	112,132	112,133
Financial liabilities					
Long-term borrowings*	400,457	-	-	400,457	407,906
Short-term borrowings	74,974	-	-	74,974	74,974
Trade payables	169,574	-	-	169,574	169,574
Derivative liabilities	-	-	4,162	4,162	4,162
Other financial liabilities	47,562	-	-	47,562	47,195
Total financial liabilities	692,567	-	4,162	696,729	703,811

* including current maturities of long-term borrowings



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

As at 31 March 2018

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Rs. in million	
				Total Carrying Value	Fair value
Financial assets					
Loans	6,080	-	-	6,080	6,082
Other financial assets	8,229	-	-	8,229	8,229
Trade receivables	47,040	-	-	47,040	47,040
Cash and cash equivalents	5,816	-	-	5,816	5,816
Bank balances other than cash and cash equivalents	4,809	-	-	4,809	4,809
Derivative assets	-	-	1,515	1,515	1,515
Investments	2	7,574	3,505	11,081	11,081
Total financial assets	71,976	7,574	5,020	84,570	84,572
Financial liabilities					
Long-term borrowings*	372,157	-	-	372,157	376,771
Short-term borrowings	21,771	-	-	21,771	21,771
Trade payables	159,437	-	-	159,437	159,437
Derivative liabilities	-	-	964	964	964
Other financial liabilities	40,393	-	-	40,393	39,852
Total financial liabilities	593,758	-	964	594,722	598,795

* including current maturities of long-term borrowings

9. Level wise disclosure of financial instruments

Particulars	Rs. in million		Level	Valuation technique and key inputs
	As at 31 December 2018	As at 31 March 2018		
Quoted investments in the equity shares measured at FVTOCI	6,975	7,397	I	Quoted bid prices in an active market.
Quoted investments in the equity shares measured at FVTPL	1,847	3,120	I	Quoted bid prices in an active market.
Derivative assets	2,443	1,515	II	Inputs other than quoted prices included within level 1 that are observable for asset or liability; either directly (i.e. as prices) or indirectly (derived from prices).
Derivative liabilities	4,162	964	II	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Unquoted investments in the equity shares measured at FVTOCI	132	128	III	Net asset value of share arrived has been considered as fair value.
Unquoted investments in the equity shares measured at FVTOCI	49	49	III	Cost is approximate estimate of fair value.
Non-current investments in unquoted Preference shares measured at FVTPL	598	492	III	Discounted cash flow- Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short term nature.

Sensitivity analysis of Level III

	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate 8.40%	0.50%	0.50% Increase / (decrease) in the discount would decrease / (increase) the fair value by Rs. 20 million / (Rs. 21 million)

Reconciliation of Level III fair value measurement

Particulars	Rs. in million	
	As at 31 December 2018	As at 31 March 2018
Opening balance	669	1,889
Purchases / (sale) (net)	94	5
Gain / (loss) recognised in the Consolidated statement of Profit and Loss	12	(1,115)
Gain / (loss) recognised in the Other comprehensive income	4	(110)
Closing balance	779	669

10. Related party disclosures

A List of related parties

1 Joint ventures

Vijayanagar Minerals Private Limited
 Rohne Coal Company Private Limited
 JSW Severfield Structures Limited
 Gourangdih Coal Limited
 Geo Steel LLC
 JSW Structural Metal Decking Limited
 JSW MJ Steel Service Center Private Limited
 JSW Vallabh Tinsplate Private Limited
 Criexent Special Steel Limited (w.e.f. 27 August 2018)
 Monnet Ispat and Energy Limited (w.e.f. 31 August 2018)
 Acciaitalia S.p.A. (upto 16 April 2018)

2 Key management personnel

Mr. Sajjan Jindal
 Mr. Seshagiri Rao M. V. S.
 Dr. Vinod Nowal
 Mr. Jayant Acharya
 Mr. Rajeev Pai
 Mr. Lancy Varghese



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

3 Other related parties

JSW Energy Limited

JSW Energy (Barmer) Limited (formerly known as Raj West Power Limited)

JSW Power Trading Company Limited

JSW Green Energy Limited

JSW Hydro Energy Limited (formerly known as Himachal Baspa Power Company Limited)

JSW Solar Limited

Jindal Stainless Limited

JSL Architecture Limited

JSL Lifestyle Limited

Jindal Saw Limited

Jindal Saw USA LLC

Jindal Steel & Power Limited

JSOFT Solutions Limited

Jindal Industries Private Limited

JSW Cement Limited

JSW Cement, FZE

JSW Jaigarh Port Limited

Reynold Traders Private Limited

JSW Infrastructure Limited

South West Port Limited

JSW Techno Projects Management Limited

JSW Global Business Solutions Limited

South West Mining Limited

JSW Projects Limited

JSW Foundation

O P Jindal Foundation

Jindal Technologies & Management Services Private Limited

JSW Dharamatar Port Private Limited

Jindal Tubular (India) Limited

Jindal Urban Waste Management Limited

M/s Shadeed Iron & Steel Co. LLC

JSW IP Holdings Private Limited

Epsilon Carbon Private Limited

Epsilon Aerospace Private Limited

JSW Living Private Limited

JSW International Trade Corp PTE Limited

Jindal Power Limited

Jindal Fittings Limited

Jindal Education Trust

Jindal Stainless Steelway Limited



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

JSW Paints Private Limited
JSW GMR Cricket Private Limited
Tranquil Homes & Holdings Private Limited
Windsor Residency Private Limited
Ganga Ferro Alloys Private Limited
St. James Investment Limited
Khaitan & Company #
Vinar Systems Private Limited ##
MJSJ Coal Limited
Toshiba JSW Power System Private Limited
India Flysafe Aviation Limited
JSW Paradip Terminal Private Limited
JSW Bengaluru Football Club Private Limited
Jaigarh Digni Rail Limited
Jindal Rail Infrastructure Limited
4 Post-employment benefits entities
JSW Steel EPF Trust
JSW Steel Group Gratuity Trust
JSW Steel Limited Employee Gratuity Fund
Mr. Haigreve Khaitan is a partner in Khaitan & Company
Mr. Haigreve Khaitan is a director in Vinar Systems Private Limited

B. Transactions with related parties

Particulars	Rs. in million							
	Joint ventures		Key Managerial Personnel		Other related parties		Total	
	Nine month ended 31 December 2018	Nine month ended 31 December 2017	Nine month ended 31 December 2018	Nine month ended 31 December 2017	Nine month ended 31 December 2018	Nine month ended 31 December 2017	Nine month ended 31 December 2018	Nine month ended 31 December 2017
Purchase of goods / power & fuel / services	805	197	-	-	181,858	165,821	182,663	166,018
Reimbursement of expenses incurred on our behalf by	1	-	-	-	24	20	25	20
Sales of goods/ power and fuel	6,082	3,766	-	-	24,998	14,208	31,080	17,974
Other income/ interest income/ dividend income	75	26	-	-	613	357	688	383
Purchase of assets	2,386	893	-	-	2,277	549	4,663	1,442
Advance given / (received back)	1,250	-	-	-	(74)	35	1,176	35
Lease and other advances refunded	-	-	-	-	456	362	456	362
Loan given received back	-	-	-	-	46	-	46	-
Loan given	-	-	-	-	7	-	7	-
Donation/ CSR expenses	-	-	-	-	119	60	119	60
Recovery of expenses incurred by us on their behalf	43	25	-	-	272	114	315	139



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

B. Transactions with related parties

Particulars	Rs. in million							
	Joint ventures		Key Managerial Personnel		Other related parties		Total	
	Nine month ended 31 December 2018	Nine month ended 31 December 2017	Nine month ended 31 December 2018	Nine month ended 31 December 2017	Nine month ended 31 December 2018	Nine month ended 31 December 2017	Nine month ended 31 December 2018	Nine month ended 31 December 2017
Investments / share application money given during the period	3,705	455	-	-	-	-	3,705	455
Finance lease interest cost	-	-	-	-	1,512	1,516	1,512	1,516
Liabilities written back	31	-	-	-	215	-	246	-
Finance lease obligations repayment	-	-	-	-	1,553	1,383	1,553	1,383
Post-employment benefits	-	-	-	-	-	182	-	182
Remuneration to Key managerial personnel	-	-	673	709	-	-	673	709

C. Amount due to / from related parties

Particulars	Rs. in million					
	Joint ventures		Other related parties		Total	
	As at 31 December 2018	As at 31 March 2018	As at 31 December 2018	As at 31 March 2018	As at 31 December 2018	As at 31 March 2018
Trade payables	13	78	19,764	28,004	19,777	28,082
Advance received from customers	-	1	11	274	11	275
Lease and other deposit received	130	130	270	269	400	399
Trade receivables	1,176	696	2,261	1,522	3,437	2,218
Share application money given	380	4	-	-	380	4
Capital / revenue advance	948	284	4,048	3,663	4,996	3,947
Loans and advances given	5	5	1,150	1,184	1,155	1,189
Loans / advances / deposits taken	-	-	126	506	126	506
Finance lease obligations	-	-	15,011	16,564	15,011	16,564
Post-employment benefits plans	-	-	807	728	807	728

11. Contingent liabilities

Particulars	Rs. in million	
	As at 31 December 2018	As at 31 March 2018
(i) Guarantees	489	99
(ii) Disputed claims/levies (excluding interest, if any), in respect of:		
Excise duty	4,897	4,322
Custom duty	7,926	7,980
Income tax	233	259
Sales tax / Special entry tax	2,565	2,707
Service tax	6,888	6,562
Miscellaneous	209	43
Levies by local authorities	535	541
Levies relating to Energy / Power Obligations	5,148	3,165
Claim by suppliers and other parties	401	640



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

Particulars	Rs. in million	
	As at 31 December 2018	As at 31 March 2018
a) Excise duty cases includes disputes pertaining to availment of CENVAT credit, valuation methodologies, classification of gases under chapter heading.		
b) Custom duty cases includes disputes pertaining to import of Iron ore fines and lumps under wrong heading, utilisation of SHIS licences for clearance of imported equipment, payment of customs duty Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex.		
c) Sales Tax / VAT / Special Entry Tax cases includes disputes pertaining to demand of special entry tax in Karnataka and demand of cess by department of transport in Goa.		
d) Service Tax cases includes disputes pertaining to availment of service tax credit on ineligible services, KKC amount paid but no credit not availed, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.		
e) Income Tax cases includes disputes pertaining to deduction u/s 80-IA and other matters.		
f) Levies by local authorities cases include disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., payment of water charges, belated payment surcharge, enhanced compensation and claims for the set off of renewable power obligations against the power generated in its captive power plants.		
g) Miscellaneous cases include Provident fund relating to contractors.		
h) Claims by Suppliers and other parties includes Quality Claims issues raised by suppliers and others.		
i) There are several other cases which has been determined as remote by the Group and hence not been disclosed above.		
(iii) Claims related to Forest Development Tax / Fee	20,548	17,985
Amount paid under protest	9,194	9,194

In response to a petition filed by the iron ore mine owners and purchasers (including JSW Steel Limited) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated 3 December 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT amounting to Rs. 15,168 million. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of Rs. 10,429 million (including paid under protest – Rs. 6,650 million) and treated it as a contingent liability.

The State of Karnataka on 27 July 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI and the SCI has admitted the appeal and stayed the refund of FDF. Based on merits of the case duly supported by a legal opinion and a favorable order from the High Court, the Company has not recognised provision for FDF amount of Rs. 10,119 million (including paid under protest - Rs. 2,544 million) pertaining to the private lease operators & NMDC and treated it as contingent liability.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

12. Commitments

Particulars	Rs. in million	
	As at 31 December 2018	As at 31 March 2018
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	147,952	126,639
Other commitments		
The Group has imported capital goods under the export promotion capital goods scheme to utilize the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports. Such export obligations at period / year end aggregate to	133,875	51,331

13. Business combination

- 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. 5,361 million (USD 80.85 million) 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 (EAF), 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 on Business Combination, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities. The interim condensed financial statements include the results of Acero for the period from 15 June 2018 to 31 December 2018.

Details of the purchase consideration, provisional net assets acquired and goodwill are as follows:

Particulars	USD in million
Assets	
Property Plant and Equipment including intangible assets	182.45
Inventories	17.97
Trade and other Receivables	3.55
Cash and cash equivalents	0.10
Indemnification Assets	4.20
Total (A)	208.27
Liabilities	
Trade Payables	31.96
Advance from Customers	91.24
Other current Liabilities	1.61
Long term liabilities	4.39
Deferred Tax Liabilities	16.17
Total (B)	145.37
Total identifiable net assets acquired at fair value (C) = (A-B)	62.90
Purchase Consideration transferred in cash (D)	80.85
Goodwill arising on acquisition (E)	17.93
Goodwill arising on acquisition (Rs.in million)	1,251

Based on provisional accounting done by the Company, it has recognised a goodwill of Rs. 1,251 million which may undergo a change on final valuation. If new information is obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition and requires adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the adjustment to the assets and liabilities will be carried out retrospectively.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

The indemnification asset is primarily related to guarantee provided by seller in relation to certain receivables to accrue to Company in future and reimbursement to the Company for any shortfall in current asset amount as on closing date.

At the date of the acquisition, the fair value of the trade receivables approximated their gross contractual amount.

The goodwill recognised is primarily attributable to the expected synergies and other benefits from integrating Acero into the Group's existing steel business.

From the date of acquisition, Acero has contributed Rs. 3,550 million of revenue and Rs. 1,531 million to the net loss after tax of the Group.

Transaction costs of Rs. 31 million have been expensed and are included in "Other expenses" in the statement of profit or loss and are part of operating cash flows in the statement of cash flows.

- b) 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 4,821 million (Euro 59.90 million) towards acquisition of equity shares and Rs. 997 million (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. The interim condensed financial statements include the results of Targets for the period from the acquisition date to 31 December 2018.

Details of the purchase consideration, provisional net assets acquired and goodwill are as follows:

Particulars	Euro in million
Assets	
Property Plant and Equipment including intangible assets	70.23
Investments	1.19
Inventories	11.30
Trade and other Receivables	39.60
Cash and cash equivalents	7.10
Deferred Tax Assets	13.61
Total (A)	143.03
Liabilities	
Long term borrowings	12.38
Trade Payables and other current liabilities	26.94
Long term provisions	1.27
Deferred Tax Liabilities	13.01
Total (B)	53.60
Total identifiable net assets acquired at fair value (C) = (A-B)	89.43
Non-Controlling Interest accounted at fair value (D)	7.36
Purchase Consideration transferred in cash (E)	59.90
Capital Reserve arising on acquisition (F)	22.17
Capital reserve arising on acquisition (Rs.in million)	1,786



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

Based on provisional accounting done by the Company, it has recognised a capital reserve of Rs. 1,786 million which may undergo a change on final valuation. If new information is obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition and requires adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the adjustment to the assets and liabilities will be carried out retrospectively.

The non-controlling interest in GSI recognised at the acquisition date was measured by reference the fair value of the non-controlling interest and amounted to Rs. 575 million (Euro 7.20 million). This fair value was estimated by applying a market approach and an income approach using an assumed discount rate of 9.7% and other factors like estimated long term growth rate, lack of control and marketability, etc.

At the date of the acquisition, the fair value of the trade receivables approximated their gross contractual amount.

From the date of acquisition, Targets has contributed Rs. 4,139 million of revenue and Rs. 1,300 million to the net loss after tax of the Group.

Transaction costs of Rs. 85 million have been expensed and are included in "Other expenses" in the statement of profit or loss and are part of operating cash flows in the statement of cash flows.

If both the acquisition had taken place at the beginning of the period, management estimates that consolidated revenue from operation and profit for the combined entity would be Rs. 422,542 million and Rs. 42,640 million respectively. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2018.

14. During the period ended 31 December 2017, the Group has surrendered one of its iron ore mines in Chile considering its economic viability and accordingly has reassessed the recoverability of the carrying amounts of Property, Plant and Equipment, Goodwill and advances pertaining to the said iron ore mine and recognised an impairment provision of Rs. 2,635 million which has been disclosed as an exceptional item in the consolidated financial statements.

The provision of Rs. 2,635 million includes Rs. 764 million towards Property plant and Equipment, Rs. 1,658 million towards Goodwill and Rs. 213 million towards advances.

15. Pursuant to the enactment of Tax Cuts and Jobs Act by the United States of America on 22 December 2017, the corporate income tax rate has been reduced to 21% resulting into a reversal of deferred tax liabilities amounting to Rs. 5,721 million for a component of the Group which has been recognised in the deferred tax expenses item in the consolidated financial statements for the period ended 31 December 2017.

16. 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 and capital reserve of Rs. 2,428 million has been recognized in consolidated financial statements.

The impact of the Resolution Plan has been given effect to on the acquisition date and the transaction has been accounted for on a provisional basis under Ind AS 28 during the quarter. Therefore, the results for the current nine months include MIEL starting 31 August 2018 and are not comparable with previous period.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

17. The Resolution Plan submitted by the Company for Vardhman Industries Limited (VIL) was approved with some modification, by the Hon'ble NCLT, by its order dated December 19, 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 Resolution plan approved by NCLT. 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.
18. 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. 1,092 million. 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.

19. Implementation of Ind AS 115

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 the Statement of Profit and Loss for 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 expense included in the other expenses in the Statement of Profit and Loss. The Group has applied full retrospective approach and restated the previous period presented.

The restated revenue for the nine months ended 31 December 2017 is higher by Rs. 11,888 million and for the year ended 31 March 2018 by Rs. 17,079 million with the corresponding increase in Other expenses.

The restated revenue and restated other expenses for the nine months ended 31 December 2017 and for the year ended 31 March 2018 are:

Particulars	Rs. in million	
	For the nine months ended 31 December 2017	For the year ended 31 March 2018
Revenue from operations	520,126	732,110
Other expenses	115,152	162,718

Further, the export benefits amounting to Rs. 3,458 million for the nine months ended 31 December 2017 and for the year ended 31 March 2018 by Rs. 4,500 million which was earlier included as part of Revenue from sale of products has been reclassified to Other operating revenue.

The above adjustments have no impact on the balance sheet and cash flow statement for the previous period.

The Group has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 7):

Particulars	Rs. in million	
	For the nine months ended 31 December 2018	31 December 2017
Revenue from contracts with customer - Sale of products (including freight income)	606,620	509,071
Other operating revenue	17,275	11,055
Total	623,895	520,126



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

Product Wise	Rs. in million	
	31 December 2018	31 December 2017
MS slabs	10,405	7,473
Hot rolled coils/steel plates/sheets	222,329	174,623
Galvanised coils/sheets	69,024	68,219
Color Coated Galvanised coils/sheets	31,847	31,817
Cold rolled coils/sheets	79,070	69,710
Steel billets & blooms	12,322	13,914
Long rolled products	118,574	89,939
Others (including freight income on sale of products)	63,049	53,376
Total	606,620	509,071

20. Goods and Service Tax (GST)

- a) The Group's units at Dolvi and Vijayanagar are eligible for VAT / CST deferral /refund scheme and have accounted for government grant on the basis SGST rates instead of VAT rates in accordance with the notification issued by the two states post implementation of GST.

The State Government of Maharashtra 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, which seeks to deny claiming incentives on related party transactions. Based on the representation made by the Group and that fact that incentive have been sanctioned by the Government on such transactions in the erstwhile tax regime, the Group believes that incentives would be made available even in the GST regime and the said resolution will be modified accordingly. The process of disbursing incentives sanctioned by the State Government of Karnataka is yet to be notified.

Accordingly, the Group has recognized grant income of Rs. 4,313 million respectively nine months ended 31 December 2018. The cumulative amount receivable towards the same as at 31 December 2018 amounting to Rs. 8,496 million 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.

21. a) JSW Steel Ltd. ("JSWSL") has submitted a resolution plan for Bhushan Power & Steel Limited ("BPSL"), a company undergoing insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 ("Code"). The Committee of Creditors of BPSL has issued a Letter of Intent ("LoI") dated 11 February 2019 to JSWSL and the same has been accepted by JSWSL on 13 February 2019. The closure of the transaction shall be subject to obtaining necessary approval from the National Company Law Tribunal, New Delhi and satisfaction of conditions precedent under the resolution plan.

- b) The Company on 27 February 2019, has entered into a five year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. (DSA) for supply of Steel Products. DSA would be providing an interest bearing advance amount of US \$ 700 million under this agreement.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

22. Dividend distribution

On 16 May 2018 the board of directors recommended a final dividend of Rs. 3.20 per equity share amounting to Rs. 7,735 million, be paid to shareholders for financial year 2017-18, which was approved by the shareholders at the Annual General Meeting held on 24 July 2018.

23. Previous year / period figures have been re-grouped / re-classified wherever necessary.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA

Partner

Membership No. 105938

Place: Mumbai

Date: 28 February 2019



For on behalf of the Board of Directors


RAJEEV PAI
Chief Financial Officer


SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO
DIN 00029136


LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407


JAYANT ACHARYA
Director (Commercial & Marketing)
DIN 00106543

Place: Mumbai

Date: 28 February 2019



Report on Review of Unaudited Condensed Standalone Interim Financial Statements**To the Board of Directors of JSW Steel Limited**

We have reviewed the accompanying Unaudited Condensed Standalone Interim Financial Statements of JSW Steel Limited (the "Company"), which comprises the Unaudited Condensed Standalone Interim Balance Sheet as at December 31, 2018, the Unaudited Condensed Standalone Interim Statement of Profit and Loss (including other comprehensive income), the Unaudited Condensed Standalone Interim Statement of Cash Flow and the Unaudited Condensed Standalone Interim Statement of Changes in Equity for the nine months period then ended, and selected explanatory notes (together hereinafter referred to as the "Unaudited Condensed Standalone Interim Financial Statements"). The Unaudited Condensed Standalone Interim Financial Statements have been prepared by the Company for the purpose of inclusion in the Offering Circulars in connection with the proposed issuance of foreign currency notes to be listed on Singapore Stock Exchange.

Management's Responsibility for the Unaudited Condensed Standalone Interim Financial Statements

The Company's Board of Directors is responsible with respect to the preparation of these Unaudited Condensed Standalone Interim Financial Statements in accordance with the requirements of Indian Accounting Standard 34 - Interim Financial Reporting ("Ind AS 34"), specified under section 133 of the Companies Act, 2013 (the "Act"), read with the relevant rules issued thereunder and other recognised accounting principle and policies.

Auditor's Responsibility for the Unaudited Condensed Standalone Interim Financial Statements

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity", issued by the Institute of Chartered Accountants of India. This standard require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from 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.

Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Condensed Standalone Interim Financial Statements are not prepared, in all material respects, in accordance with the requirements of Indian Accounting Standard 34, Interim Financial Reporting ("Ind AS 34") as specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies.



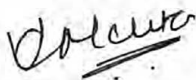
Emphasis of Matter

We draw attention to note 14 of the Unaudited Condensed Standalone Interim Financial Statements, which fully describes the effect of Government Resolution dated December 20, 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.

Other Matters

The accompanying Unaudited Condensed Standalone Interim Financial Statements have been prepared solely for the purpose of inclusion in the Offering Circulars in connection with the proposed issuance of foreign currency notes by the Company to be listed on Singapore Stock Exchange. Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

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



per Vikram Mehta
Partner
Membership Number: 105938



Place of Signature: Mumbai
Date: February 28, 2019

UNAUDITED CONDENSED STANDALONE INTERIM BALANCE SHEET

Rs. in millions

	Notes	As at 31 December 2018	As at 31 March 2018
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	497,720	495,029
(b) Capital work-in-progress		69,126	30,709
(c) Intangible assets		880	653
(d) Intangible assets under development		4,244	3,206
(e) Investments in subsidiaries, associates and joint ventures		48,114	38,481
(f) Financial assets			
(i) Investments		13,183	10,299
(ii) Loans		74,628	51,649
(iii) Other financial assets		826	7,461
(g) Current tax assets (net)		1,881	2,500
(h) Other non-current assets		28,935	22,994
Total non-current assets		739,537	662,981
Current assets			
(a) Inventories		125,240	100,825
(b) Financial assets			
(i) Investments		1,039	-
(ii) Trade receivables		65,989	46,920
(iii) Cash and cash equivalents		3,816	4,507
(iv) Bank balances other than (iii) above		1,543	1,502
(v) Loans		1,294	1,578
(vi) Derivative Assets		2,018	1,466
(vii) Other financial assets		12,467	5,030
(c) Other current assets		32,340	30,701
Total current assets		245,746	192,529
Total Assets		985,283	855,510



UNAUDITED CONDENSED STANDALONE INTERIM BALANCE SHEET (continued)

Rs. in millions

	Notes	As at 31 December 2018	As at 31 March 2018
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital		3,012	3,017
(b) Other equity		330,564	276,049
Total equity		333,576	279,066
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	4A	277,324	295,512
(ii) Other financial liabilities		7,623	6,985
(b) Provisions		2,100	1,149
(c) Deferred tax liabilities(net)		28,227	20,706
(d) Other non-current liabilities		33	37
Total non-current liabilities		315,307	324,389
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	4B	63,840	21,718
(ii) Trade payables			
(a) Total outstanding, dues of micro and small enterprises		103	100
(b) Total outstanding, dues of creditors other than micro and small enterprises		135,908	139,785
(iii) Derivative Liabilities		3,724	901
(iv) Other financial liabilities		111,829	71,113
(b) Provisions		569	1,106
(c) Other current liabilities		16,227	13,812
(d) Current tax liabilities(net)		4,200	3,520
Total current liabilities		336,400	252,055
Total liabilities		651,707	576,444
Total equity and liabilities		985,283	855,510

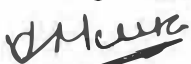
See accompanying notes forming part of Unaudited Condensed Standalone Interim Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Reg. No.: 324982E/E300001


 per **VIKRAM MEHTA**
 Partner
 Membership No.:105938

 Place: Mumbai
 Date : 28 February 2019


RAJEEV PAI
 Chief Financial Officer


LANCY VARGHESE
 Company Secretary
 ICSI Membership No. FCS 9407
 Place: Mumbai
 Date: 28 February 2019

For and on behalf of the Board of Directors


SESHAGIRI RAO M.V.S
 Jt. Managing Director & Group CFO
 DIN 00029136


JAYANT ACHARYA
 Director (Commercial & Marketing)
 DIN 00106543


UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF PROFIT AND LOSS

		Rs.in millions		
		Notes	For the nine months ended	
			31 December 2018	31 December 2017*
I	Revenue from operations	13	570,264	477,126
II	Other income		4,363	1,401
III	Total income (I + II)		574,627	478,527
IV	Expenses:			
	Cost of materials consumed		305,325	258,378
	Purchases of stock-in-trade		4,040	7,353
	Changes in inventories of finished goods and work-in-progress		(16,140)	2,041
	Employee benefits expense		10,529	9,393
	Finance costs		27,524	27,179
	Depreciation and amortization expense		25,323	22,731
	Excise duty expense		-	12,588
	Other expenses		125,886	98,998
	Total expenses		482,487	438,661
V	Profit before exceptional items and tax (III-IV)		92,140	39,866
VI	Exceptional items		-	2,336
VII	Profit before tax (V-VI)		92,140	37,530
VIII	Tax expense:			
	Current tax		19,299	7,288
	Deferred tax		7,699	5,024
			26,998	12,312
IX	Profit for the period (VII-VIII)		65,142	25,218



UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF PROFIT AND LOSS (continued)

Rs.in millions


		For the nine months ended	
		31 December 2018	31 December 2017*
X	Other comprehensive income/(loss)		
A	i) Items that will not be reclassified to profit or loss		
	(a) Re-measurements of the defined benefit plans	(129)	(40)
	(b) Equity instruments through other comprehensive income	(297)	2,717
	ii) Income tax relating to items that will not be reclassified to profit or loss	45	14
	Total (A)	(381)	2,691
B	i) Items that will be reclassified to profit or loss		
	(a) The effective portion of gains and loss on hedging instruments	1,193	(1,756)
	(b) Changes in Foreign Currency Monetary Item translation difference account (FCMITDA)	(1,575)	473
	ii) Income tax relating to items that will be reclassified to profit or loss	134	444
	Total (B)	(248)	(839)
	Total Other comprehensive income / (loss) (A+B)	(629)	1,852
XI	Total comprehensive income (IX + X)	64,513	27,070
XII	Earnings per equity share of Re 1 each (refer note 11) (not annualized)		
	Basic	27.09	10.49
	Diluted	26.95	10.43

See accompanying notes forming part of Unaudited Condensed Standalone Interim Financial Statements

*Restated (refer note 13)

As per our report of even date

 For S R B C & CO LLP
 Chartered Accountants
 ICAI Firm Reg. No.: 324982E/E300003



per **VIKRAM MEHTA**
 Partner
 Membership No.:105938


 Place: Mumbai
 Date : 28 February 2019



RAJEEV PAI
 Chief Financial Officer



LANCY VARGHESE
 Company Secretary
 ICSI Membership No. FCS 9407
 Place: Mumbai
 Date: 28 February 2019

For and on behalf of the Board of Directors



SESHAGIRI RAO M.V.S
 Jt. Managing Director & Group CFO
 DIN 00029136



JAYANT ACHARYA
 Director (Commercial & Marketing)
 DIN 00106543



UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF CASH FLOW

Rs.in millions

Particulars	For the nine months ended 31 December 2018	For the nine months ended 31 December 2017
Cash flow from operating activities		
Net profit before tax	92,140	37,530
Adjustments for :		
Depreciation and amortization expenses	25,323	22,731
Loss/(Profit) on sale of property, plant & equipment (net)	(3)	104
Gain on sale of financial investments designated as FVTPL	(76)	(115)
Interest income	(1,741)	(1,126)
Gain arising of financial instruments designated as FVTPL	(251)	(65)
Dividend income	(2,243)	(46)
Interest expense	25,566	22,046
Share based payment expense	350	211
Export Obligation Deferred income amortization	(1,159)	(329)
Unrealised exchange loss	1,729	(2,669)
Allowance for doubtful debts, loans & advances	1,320	2,358
Government grant income (Fair value gain on deferred government loan)	(2,033)	-
	46,782	43,100
Operating profit before working capital changes	138,922	80,630
Adjustments for:		
(Increase) in inventories	(24,415)	(6,218)
(Increase) in trade receivables	(19,069)	(4,147)
(Increase) in Other Assets	(986)	(14,005)
(Decrease)/Increase trade payable and other liabilities	(3,963)	4,000
Increase in provisions	286	313
	(48,147)	(20,057)
Cash flow from operations	90,775	60,573
Income taxes paid (net of refund received)	(18,000)	(7,147)
Net cash generated from operating activities (A)	72,775	53,426



UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF CASH FLOW (continued)

Rs.in millions

Particulars	For the nine months ended 31 December 2018	For the nine months ended 31 December 2017
Cash flow from investing activities		
Purchase of property, plant & equipment, intangible assets including under development	(52,731)	(27,538)
Proceeds from sale of property, plant & equipment	145	13
Investments in subsidiaries and joint ventures including advances and preference shares	(12,317)	(537)
Sale of other non current investments	502	-
Purchase of current investments	(72,292)	(39,698)
Sale of current investments	71,329	41,225
Bank deposits not considered as cash and cash equivalents (net)	(9)	53
Loans to related parties	(28,982)	(26,535)
Loans repaid by related parties	8,385	-
Interest received	1,698	1,015
Dividend received	2,243	46
Net cash used in investing activities (B)	(82,029)	(51,956)
Cash flow from financing activities		
Proceeds of Sale of treasury shares	-	493
Payment for Purchase of treasury shares	(1,526)	(585)
Proceeds from non current borrowings	41,017	51,765
Repayment of non current borrowings	(34,584)	(41,583)
Proceeds from/ Repayment of Current borrowings (net)	42,122	15,142
Repayment of Finance Lease obligation	(2,679)	(2,072)
Interest paid	(26,923)	(22,969)
Dividend paid (including corporate dividend tax)	(8,864)	(6,546)
Net cash generated from/(used in) financing activities (C)	8,563	(6,355)
Net decrease in cash and cash equivalents(A+B+C)	(691)	(4,885)
Cash and cash equivalents - opening balances	4,507	7,120
Cash and cash equivalents - closing balances	3,816	2,235

See accompanying notes forming part of Unaudited Condensed Standalone Interim Financial Statements

As per our report of even date
 For S R B C & CO LLP
 Chartered Accountants
 ICAI Firm Reg. No.: 324982E/E300003


 per VIKRAM MEHTA
 Partner
 Membership No.:105938

Place: Mumbai
 Date : 28 February 2019




 RAJEEV PAI
 Chief Financial Officer


 LANCY VARGHESE
 Company Secretary
 ICSI Membership No. FCS 9407
 Place: Mumbai
 Date: 28 February 2019

For and on behalf of the Board of Directors


 SESHAGIRI RAO M.V.S
 Jt. Managing Director & Group CFO
 DIN 00029136


 JAYANT ACHARYA
 Director (Commercial & Marketing)
 DIN 00106543



UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 December 2017

A. Equity Share Capital

Rs. in millions

As at 1 April 2017	Movement during the period	As at 31 December 2017
3,013	4	3,017

B. Other Equity

Rs. in millions

Particulars	Reserves and surplus							Items of Other Comprehensive Income/(Loss) (OCI)			Total
	Capital reserve	Securities premium	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCMITDA	
Opening balance as at 01 April 2017	35,845	54,166	99	4,328	33,377	129	104,172	3,529	2,359	(37)	237,967
Profit for the period	-	-	-	-	25,218	-	-	-	-	-	25,218
Other comprehensive income/(loss) for the period, net of income tax	-	-	-	-	(26)	-	-	2,717	(1,148)	309	1,852
Dividend including dividend distribution tax	-	-	-	-	(6,546)	-	-	-	-	-	(6,546)
Impact of ESOP trust consolidation	-	-	-	-	(96)	-	-	-	-	-	(96)
Recognition of share-based payments	-	-	-	-	-	211	-	-	-	-	211
Transfer to Capital redemption reserve	-	-	698	-	-	-	(698)	-	-	-	-
Closing balance as at 31 December 2017	35,845	54,166	797	4,328	51,927	340	103,474	6,246	1,211	272	258,606

See accompanying notes forming part of Unaudited Condensed Standalone Interim Financial Statements



UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF CHANGES IN EQUITY (continued)
For the nine months ended 31 December 2018
A. Equity Share Capital
Rs. in millions

As at 1 April 2018	Movement during the period	As at 31 December 2018
3,017	(5)	3,012

B. Other Equity
Rs. in millions

Particulars	Reserves and surplus							Items of Other Comprehensive Income/(Loss) (OCI)			Total
	Capital reserve	Securities premium	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCM/MTDA	
Opening balance as at 01 April 2018	35,845	54,166	1,494	1,406	75,730	411	102,777	4,343	127	(250)	276,049
Profit for the period	-	-	-	-	65,142	-	-	-	-	-	65,142
Other comprehensive income/(loss) for the period, net of income tax	-	-	-	-	(84)	-	-	(297)	776	(1,024)	(629)
Dividend including dividend distribution tax	-	-	-	-	(8,864)	-	-	-	-	-	(8,864)
Impact of ESOP trust consolidation	-	-	-	-	(1,485)	-	-	-	-	-	(1,485)
Recognition of share-based payments	-	-	-	-	-	351	-	-	-	-	351
Transfer to Capital redemption reserve	-	-	3,216	-	-	-	(3,216)	-	-	-	-
Gain on sale of equity instruments designated as FVTOCI	-	-	-	-	354	-	-	(354)	-	-	-
Closing balance as at 31 December 2018	35,845	54,166	4,710	1,406	130,793	762	99,561	3,692	903	(1,274)	330,564

See accompanying notes forming part of Unaudited Condensed Standalone Interim Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Reg. No.: 324982E/E300003



 per **VIKRAM MEHTA**
 Partner
 Membership No.:105938

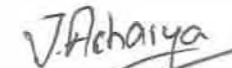
 Place: Mumbai
 Date : 28 February 2019


RAJEEV PAI
 Chief Financial Officer


LANCY VARGHESE
 Company Secretary
 ICSI Membership No. FCS 9407
 Place: Mumbai
 Date: 28 February 2019

For and on behalf of the Board of Directors


SESHAGIRI RAO M.V.S
 Jt. Managing Director & Group CFO
 DIN 00029136


JAYANT ACHARYA
 Director (Commercial & Marketing)
 DIN 00106543


NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

1. General Information

JSW Steel Limited ("the Company") is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Company is an integrated manufacturer of diverse range of steel products with its manufacturing facilities located at Vijaynagar Works in Karnataka, Dolvi Works in Maharashtra and Salem works in Tamil Nadu.

JSW Steel Limited is a public limited company incorporated in India on 15 March 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

2. Significant Accounting policies

I. Statement of compliance

These Unaudited Condensed Standalone Interim Financial Statements have been prepared in accordance with the requirements of Indian Accounting Standards 34 'Interim Financial Reporting' ('Ind AS 34'), specified under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

II. Basis of preparation and presentation

The Company has prepared these Unaudited Condensed Standalone Interim Financial Statements which comprise the Unaudited Condensed Standalone Interim Balance Sheet as at 31 December, 2018, the Unaudited Condensed Standalone Interim Statement of Profit and Loss, the Unaudited Condensed Standalone Interim Statements of Cash Flows and the Unaudited Condensed Standalone Interim Statements of Changes in Equity for the nine months ended 31 December, 2018, and other explanatory information (together hereinafter referred to as "Unaudited Condensed Standalone Interim Financial Statements" or "financial statements").

The Unaudited Condensed Standalone Interim Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period.

The Unaudited Condensed Standalone Interim Financial Statements do not include all the information and disclosures normally included in annual financial statements. Accordingly, these statements are to be read in conjunction with annual financial statement for the year ended 31 March 2018 and any public announcement made during interim reporting period. The annual financial statements for the year ended 31 March 2018 were prepared in Rs. in crores, however these financial statements have been prepared in Rs. in millions.

Accounting policies and methods of computation followed in the Unaudited Condensed Standalone Interim Financial Statements are same as compared with the annual financial statements for the year ended 31 March 2018, except for adoption of new standard or any pronouncements effective from 1 April 2018.



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

Ind AS 115 Revenue from Contracts with Customers, became mandatory for reporting periods beginning on or after 1 April 2018 replaces the existing revenue recognition standards. The Company has applied the full retrospective approach and restated the previous periods presented (refer note 13). The Company has adopted following accounting policy for revenue recognition.

Sale of Goods

The Company recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items in a contract when they are highly probable to be provided.

The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices.

Revenue from sale of by products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

The Company has not early adopted any other standards, interpretation or amendments that has been issued but is not yet effective.

III. Key sources of estimation, uncertainty and critical accounting judgements

In the course of applying the policies, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

The area where estimates are significant to the Unaudited Condensed Standalone Interim Financial Statements, or areas involving high degree of judgement or complexity, are same as those disclosed in the annual financial statements for the year ended 31 March 2018.



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018
3. Property, plant and equipment:

Rs. in millions

Particulars	Freehold land	Leasehold land	Buildings (Owned)	Buildings (On finance lease)	Plant and equipment (Owned)	Plant and equipment (On finance lease)	Furniture and fixtures	Vehicles and aircrafts	Office equipment	Total
Cost/deemed cost										
At 1 April 2018	9,691	1,683	65,577	1,804	443,797	56,525	1,081	1,346	593	582,097
Additions	17	-	3,758	175	17,514	3,855	63	85	24	25,491
Deductions	57	-	-	-	1,806	-	38	34	6	1,941
Other adjustments*	-	-	-	-	2,505	-	-	-	-	2,505
At 31 December 2018	9,651	1,683	69,335	1,979	462,010	60,380	1,106	1,397	611	608,152
Accumulated depreciation										
At 1 April 2018	-	12	8,276	814	66,311	10,631	399	356	269	87,068
Depreciation	-	3	2,263	208	19,552	2,854	94	112	78	25,164
Deductions	-	-	-	-	1,776	-	5	17	2	1,800
At 31 December 2018	-	15	10,539	1,022	84,087	13,485	488	451	345	110,432
Net book value										
At 31 December 2018	9,651	1,668	58,796	957	377,923	46,895	618	946	266	497,720

* Other adjustments comprises foreign exchange loss and borrowings cost.



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018**4. Borrowings****A. Long Term Borrowing**

Particulars	Rs. in millions	
	As at 31 December 2018	As at 31 March 2018
Non-Current Borrowings	277,324	295,512
Current Maturities of Long Term Borrowings (grouped under Other Financial Liabilities)	75,934	40,982
Current Maturities of Financial lease Obligation (grouped under Other Financial Liabilities)	4,049	3,594
	357,307	340,088



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

Movement in Borrowings during the nine months ended 31 December 2018

Particulars	Rs. in millions									
	Foreign currency bonds	Debentures	Term loans- Foreign currency loan	Term loans -Rupee term loan	Deferred government loans	Finance lease obligation	Preference shares	Upfront Fees on Rupee term loan	Upfront Fees on Foreign currency loan	Total borrowings
Opening balance as on 1 April 2018	65,044	37,031	68,006	119,577	830	45,825	5,778	(305)	(1,698)	340,088
Add : Disbursements										
Secured rupee term loan	-	-	-	7,628	-	-	-	-	-	7,628
Unsecured rupee term loan	-	-	-	10,500	-	-	-	-	-	10,500
Unsecured foreign currency loans	-	-	22,045	-	-	-	-	-	-	22,045
Sales tax deferral	-	-	-	-	844	-	-	-	-	844
Others	-	-	-	-	-	4,030	-	(68)	(283)	3,679
	-	-	22,045	18,128	844	4,030	-	(68)	(283)	44,696
Less : Redemption/Repayment										
Secured non-convertible debentures	-	(5,187)	-	-	-	-	-	-	-	(5,187)
Secured rupee term loan	-	-	-	(12,146)	-	-	-	-	-	(12,146)
Unsecured rupee term loan	-	-	-	(9,000)	-	-	-	-	-	(9,000)
Unsecured foreign currency loans	-	-	(4,896)	-	-	-	-	-	-	(4,896)
Sales tax deferral	-	-	-	-	(127)	-	-	-	-	(127)
Others repayments	-	-	-	-	-	(2,679)	(3,225)	-	-	(5,904)
	-	(5,187)	(4,896)	(21,146)	(127)	(2,679)	(3,225)	-	-	(37,260)
Add: Other movements	4,748	-	4,752	-	(524)	-	293	93	421	9,783
Total borrowings as on 31 December 2018	69,792	31,844	89,907	116,559	1,023	47,176	2,846	(280)	(1,560)	357,307



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

B.Short Term Borrowing

Particulars	Rs. in millions	
	As at 31 December 2018	As at 31 March 2018
Working capital loans from banks		
Rupees loan	10,149	1,567
Foreign currency loan	-	958
Foreign currency loan from bank	-	6,625
Rupee loans from banks	4,670	240
Commercial papers	49,021	12,328
Total	63,840	21,718

5. Categories of financial Instruments

As at 31 December 2018

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Rs. in millions	
				Total Carrying Value	Fair Value
Financial Assets					
Investments	3,638	5,997	4,587	14,222	14,222
Trade receivables	65,989	-	-	65,989	65,989
Cash and cash equivalents	3,816	-	-	3,816	3,816
Bank balances other than cash and cash equivalents	1,543	-	-	1,543	1,543
Loans	75,922	-	-	75,922	75,923
Derivative Assets	-	-	2,018	2,018	2,018
Other financial assets	13,293	-	-	13,293	13,293
Total	164,201	5,997	6,605	176,803	176,804
Financial Liabilities					
Long term Borrowings #	357,307	-	-	357,307	365,628
Short term Borrowings	63,840	-	-	63,840	63,840
Trade payables	136,011	-	-	136,011	136,011
Derivative liabilities	-	-	3,724	3,724	3,724
Other financial liabilities	39,469	-	-	39,469	39,473
Total	596,627	-	3,724	600,351	608,676

including current maturities of long term debt and finance lease obligations



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

As at 31 March 2018

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Rs. in millions	
				Total Carrying Value	Fair Value
Financial Assets					
Investments	1	6,796	3,502	10,299	10,299
Trade receivables	46,920	-	-	46,920	46,920
Cash and cash equivalents	4,507	-	-	4,507	4,507
Bank balances other than cash and cash equivalents	1,502	-	-	1,502	1,502
Loans	53,227	-	-	53,227	53,228
Derivative Assets	-	-	1,466	1,466	1,466
Other financial assets	12,491	-	-	12,491	12,491
Total	118,648	6,796	4,968	130,412	130,413
Financial Liabilities					
Long term Borrowings #	340,088	-	-	340,088	347,085
Short term Borrowings	21,718	-	-	21,718	21,718
Trade payables	139,885	-	-	139,885	139,885
Derivative liabilities	-	-	901	901	901
Other financial liabilities	33,511	-	-	33,511	33,517
Total	535,202	-	901	536,103	543,106

including current maturities of long term debt and finance lease obligations



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018
6. Level Wise disclosure of Financial instruments

Particulars	Rs. in millions			
	As at 31 December 2018	As at 31 March 2018	Level	Valuation techniques and key inputs
Quoted investments in equity shares measured at FVTOCI	5,860	6,659	1	Quoted bid prices in an active market
Unquoted investments in equity shares measured at FVTOCI	88	88	3	Net Asset value of share arrived has been considered as fair value
Unquoted investments in equity shares measured at FVTOCI	49	49	3	Cost is approximate estimate of fair value
Quoted investments in Mutual Fund measured at FVPTL	1,039	-	1	Quoted bid prices in an active market
Non-current investments in unquoted preference shares measured at FVTPL	3,548	3,502	3	Discounted cash flow - Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks
Derivative Assets	2,018	1,466	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Derivative Liabilities	3,724	901		

The carrying amounts of current investments, other financial assets, trade receivables, trade payables, capital creditors, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short term nature.

Sensitivity Analysis of Level 3:

	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate of 9.1%	0.50%	0.50% Increase (decrease) in the discount would decrease (increase) the fair value by Rs. 39 millions (Rs. 41 millions)



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

Reconciliation of Level 3 fair value measurement:

Particulars	Rs. in millions
	Amount
Balance as at 1 April 2018	3,639
Additions made during the period	2
Allowance for loss	(16)
Gain recognised in the statement of profit and loss	60
Balance as at 31 December 2018	3,685

7. Contingent liabilities:

(i) Disputed claims/levies (excluding interest, if any) in respect of:

Particulars	Rs. in millions	
	As at 31 December 2018	As at 31 March 2018
Excise Duty	4,744	4,140
Custom Duty	4,921	5,138
Income Tax	179	179
Sales Tax / VAT / Special Entry tax	1,559	1,559
Service Tax	6,284	5,933
Levies by local authorities – Statutory	24	30
Levies relating to Energy / Power Obligations	5,148	3,163
Claims by suppliers and other parties	422	422
Miscellaneous	-	1
Total	23,281	20,565

- a) Excise duty cases includes disputes pertaining to availment of CENVAT credit, valuation methodologies, classification of gases under chapter heading.
- b) Custom duty cases includes disputes pertaining to import of Iron ore fines and lumps under wrong heading, utilisation of SHIS licences for clearance of imported equipment, payment of customs duty Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex.
- c) Sales Tax/ VAT/ Special Entry tax cases includes disputes pertaining to demand of special entry tax in Karnataka and demand of cess by department of transport in Goa.
- d) Service Tax cases includes disputes pertaining to availment of service tax credit on ineligible services, KKC amount paid but no credit not availed, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.
- e) Income Tax cases includes disputes pertaining to deduction u/s 80-IA and other matters.
- f) Levies by local authorities - Statutory cases includes disputes pertaining to payment of water charges and enhanced compensation.
- g) Levies relating to Energy / Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Ltd.



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

- h) Claims by Suppliers and other parties includes quality claims issues raised by suppliers and others.
- i) Miscellaneous cases includes provident fund relating to contractors.
- j) There are several other cases which has been determined as remote by the Company and hence not been disclosed above.

(ii) Forest Development Tax/Fee:
Rs. in millions

Particulars	As at 31 December 2018	As at 31 March 2018
Claims related to Forest Development Tax/Fee	20,548	17,985
Amount paid under protest	9,194	9,194

In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated 3 December 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT amounting to Rs. 15,168 millions. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of Rs. 10,429 millions (including paid under protest - Rs. 6,650 millions) and treated it as a contingent liability.

The State of Karnataka on 27 July 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI, and based on merits of the case duly supported by a legal opinion and a favorable order from the High Court, the Company has not recognised provision for FDF amount of Rs. 10,119 millions (including paid under protest - Rs.2,544 millions) pertaining to the private lease operators & NMDC and treated it as contingent liability.

8. Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by its group companies.

Refer below for details of financial guarantees issued:

Rs. in millions

Particulars	As at 31 December 2018	As at 31 March 2018
Guarantees	22,274	6,378
Standby letter of credit facility (to the extent of outstanding loan)	9,306	17,172
Less: Loss allowance against aforesaid	(5,608)	(6,420)
Total	25,972	17,130



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

9. Commitments

Particulars	Rs. in millions	
	As at 31 December 2018	As at 31 March 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	109,995	98,010

Other commitments:

- (a) The Company from time to time provides need based support to subsidiaries and joint ventures entity towards capital and other requirements.
- (b) The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated period. Such export obligations aggregate to

Particulars	Rs. in millions	
	As at 31 December 2018	As at 31 March 2018
Export promotion capital goods scheme	126,574	44,547

10. Segment Reporting

The Company is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

The information relating to revenue from external customers and location of non-current assets of its single, reportable segment has been disclosed as below

a) Revenue from operations

Particulars	Rs. in millions		
	For the nine months ended 31 December 2018	For the nine months ended 31 December 2017	For the year ended 31 March 2018
Domestic	522,404	384,087	563,573
Export	47,860	93,039	113,658
Total	570,264	477,126	677,231

Revenue from operations have been allocated on the basis of location of customers.

b) Non-current assets

All non-current assets other than financial instruments of the Company are located in India

c) Customer contributing more than 10% of Revenue

Particulars	Rs. in millions		
	For the nine months ended 31 December 2018	For the nine months ended 31 December 2017	For the year ended 31 March 2018
JSW Steel Coated Products Limited	78,861	71,777	97,928
Total	78,861	71,777	97,928



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

11. Earnings per share

Particulars	For the nine months ended 31 December 2018	For the nine months ended 31 December 2017
Profit attributable to equity shareholders (Rs. in millions) (A)	65,142	25,218
Weighted average number of equity shares for basic EPS (B)	2,404,863,408	2,403,976,682
Effect of Dilution :		
Weighted average number of treasury shares held through ESOP trust	12,357,032	13,243,758
Weighted average number of equity shares adjusted for the effect of dilution (C)	2,417,220,440	2,417,220,440
Earnings per share of Re. 1 each (EPS) (not annualized)		
Basic EPS (Amount in Rs.) (A/B)	27.09	10.49
Diluted EPS (Amount in Rs.) (A/C)	26.95	10.43

12. Related Party

A Relationships

1 Subsidiaries

JSW Steel (Netherlands) B.V.
 JSW Steel (UK) Limited
 JSW Steel (USA) Inc.
 Periana Holdings, LLC
 Purest Energy, LLC
 Meadow Creek Minerals, LLC
 Hutchinson Minerals, LLC
 R.C. Minerals, LLC
 Keenan Minerals, LLC
 Peace Leasing, LLC
 Prime Coal, LLC
 Planck Holdings, LLC
 Rolling S Augering, LLC
 Periana Handling, LLC
 Lower Hutchinson Minerals, LLC
 Caretta Minerals, LLC
 JSW Panama Holdings Corporation
 Inversiones Eurosh Limitada
 Santa Fe Mining
 Santa Fe Puerto S.A.
 JSW Natural Resources Limited
 JSW Natural Resources Mozambique Limitada
 JSW ADMS Carvo Lda
 Nippon Ispat Singapore (PTE) Limited
 Erebus Limited
 Arima Holding Limited
 Lakeland Securities Limited
 JSW Steel Processing Centres Limited
 JSW Bengal Steel Limited



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

JSW Natural Resources India Limited
JSW Energy (Bengal) Limited
JSW Natural Resource Bengal Limited
JSW Jharkhand Steel Limited
Amba River Coke Limited
JSW Steel Coated Products Limited
Peddar Realty Private Limited
JSW Steel (Salav) Limited
Dolvi Minerals & Metals Private Limited
Dolvi Coke Projects Limited
JSW Industrial Gases Private Limited
JSW Realty & Infrastructure Private Limited
JSW Steel Italy S.R.L.
JSW Utkal Steel Limited (w.e.f. 16.11.2017)
Hasaud Steel Limited (w.e.f. 13.02.2018)
Creixent Special Steels Limited (w.e.f. 27.02.2018, ceased w.e.f. 27.08.2018)
Milloret Steel Limited (w.e.f. 08.03.2018, ceased w.e.f. 31.08.2018)
Acero Junction Holdings, Inc. (w.e.f. 15.06.2018)
JSW Steel USA Ohio, Inc. (w.e.f. 15.06.2018)
Aferpi S.p.A. (w.e.f. 24.07.2018)
Piombino Logistics S.p.A. (w.e.f. 24.07.2018)
GSI Lucchini S.p.A. (w.e.f. 24.07.2018)
JSW Retail Limited (w.e.f. 20.09.2018)

2 Joint Ventures

Vijayanagar Minerals Private Limited
Rohne Coal Company Private Limited
JSW Severfield Structures Limited
Gourangdih Coal Limited
GEO Steel LLC
JSW Structural Metal Decking Limited
JSW MI Steel Service Centre Private Limited
JSW Vallabh Tin Plate Private Limited
Accialtalia S.p.A.
Creixent Special Steels Limited (w.e.f. 28.08.2018)
Monnet Ispat & Energy Limited (w.e.f. 31.08.2018)

3 Key Management Personnel

Mr. Sajjan Jindal
Mr. Seshagiri Rao M V S
Dr. Vinod Nowal
Mr. Jayant Acharya
Mr. Rajeev Pai
Mr. Lancy Varghese

4 Other Related Parties

JSW Energy Limited
JSW Energy (Barmer) Limited (formerly known as Raj West Power Limited)
JSW Power Trading Company Limited
JSW Green Energy Limited
JSW Hydro Energy Limited (formerly known as Himachal Baspa Power Company Limited)
JSW Solar Limited
Jindal Stainless Limited
JSL Architecture Limited



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

JSL Lifestyle Limited
Jindal Saw Limited
Jindal Saw USA LLC
Jindal Tubular (India) Limited
Jindal Urban Waste Management Limited
Jindal Fittings Limited
Jindal Rail Infrastructure Limited
Jindal Steel & Power Limited
M/s Shadeed Iron & Steel Co. LLC
Jindal Power Limited
India Flysafe Aviation Limited
JSW Infrastructure Limited
JSW Jaigarh Port Limited
South West Port Limited
JSW Dharamatar Port Private Limited
JSW Paradip Terminal Private Limited
Jaigarh Digni Rail Limited
JSW Cement Limited
JSW Cement, FZE
South West Mining Limited
JSW Projects Limited
JSW IP Holdings Private Limited
JSOFT Solutions Limited
Reynold Traders Private Limited
JSW Techno Projects Management Limited
JSW Global Business Solutions Limited
Jindal Industries Private Limited
JSW Foundation
Jindal Technologies & Management Services Private Limited
Epsilon Carbon Private Limited
Epsilon Aerospace Private Limited
JSW Living Private Limited
JSW International Trade Corp PTE Limited
Jindal Education Trust
JSW Paints Private Limited
Toshiba JSW Power System Private Limited
MJSJ Coal Limited
O P Jindal Foundation
JSW Bengaluru Football Club Private Limited
JSW GMR Cricket Private Limited
Khaitan & Company#
Vinar Systems Private Limited ##
5 Post Employment Benefit Entity
JSW Steel EPF Trust
Jindal Steel Group Gratuity Trust
JSW Steel Limited Employee Gratuity Fund

Mr. Haigreve Khaitan is a partner in Khaitan & Company

Mr. Haigreve Khaitan is a director in Vinar Systems Private Limited



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

B. Transactions with Related Parties

(Rs. in millions)

Particulars	Subsidiaries	Joint ventures	Other related parties	Total
Purchase of goods / power & fuel / services	50,041	790	155,980	206,811
	<i>39,972</i>	<i>197</i>	<i>149,636</i>	<i>189,805</i>
Reimbursement of expenses incurred on our behalf by	1	1	21	23
	<i>2</i>	<i>-</i>	<i>20</i>	<i>22</i>
Sales of goods/power & fuel	83,715	5,657	23,971	113,343
	<i>81,379</i>	<i>3,766</i>	<i>13,546</i>	<i>98,691</i>
Other income/ interest income/ dividend income	3,253	73	499	3,825
	<i>768</i>	<i>26</i>	<i>280</i>	<i>1,074</i>
Purchase of assets	168	2,382	2,202	4,752
	<i>17</i>	<i>752</i>	<i>526</i>	<i>1,295</i>
Advance given/(received back)	-	1,250	(74)	1,176
	<i>356</i>	<i>-</i>	<i>2,164</i>	<i>2,520</i>
Lease deposit received	-	-	-	-
	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Lease and other advances refunded	-	-	398	398
	<i>-</i>	<i>-</i>	<i>362</i>	<i>362</i>
Loan given	27,810	-	-	27,810
	<i>26,537</i>	<i>-</i>	<i>-</i>	<i>26,537</i>
Provision for loans and advances made during the year	-	-	-	-
	<i>1,974</i>	<i>-</i>	<i>-</i>	<i>1,974</i>
Donation/ CSR expenses	-	-	119	119
	<i>-</i>	<i>-</i>	<i>60</i>	<i>60</i>
Recovery of expenses incurred by us on their behalf	824	41	272	1,137
	<i>1,130</i>	<i>25</i>	<i>95</i>	<i>1,250</i>
Investments / share application money given during the period	556	3,705	-	4,261
	<i>82</i>	<i>455</i>	<i>-</i>	<i>537</i>
Interest expenses	-	-	-	-
	<i>10</i>	<i>-</i>	<i>-</i>	<i>10</i>
Guarantees and collaterals provided by the Company on behalf	24,509	-	-	24,509
	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Guarantees and collaterals released	13,059	-	-	13,059
	<i>4,032</i>	<i>-</i>	<i>-</i>	<i>4,032</i>
Adjustment of receivable/(payable)	790	-	-	790
	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Redemption/ sale of shares	502	-	-	502
	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Finance lease interest cost	2,706	-	1,512	4,218
	<i>2,809</i>	<i>-</i>	<i>1,516</i>	<i>4,325</i>
Liabilities written back	31	31	215	277
	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Finance lease obligation repayment	1,022	-	1,553	2,575
	<i>896</i>	<i>-</i>	<i>1,383</i>	<i>2,279</i>

Amount in italics is for nine months ended 31 December 2017

Remuneration to Key Managerial Person for Apr'18 to Dec'18 – Rs. 673 million (Apr'17 to Dec'17 - Rs. 709 million)



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

C. Amount due to/ from related parties

(Rs. in millions)

Particulars	Subsidiaries	Joint ventures	Other related parties	Total
Trade payables	2,483	4	17,427	19,914
	<i>597</i>	<i>4</i>	<i>24,142</i>	<i>24,743</i>
Advance received from customers	-	-	3	3
	-	<i>1</i>	<i>267</i>	<i>268</i>
Lease & other deposit received	96	130	270	496
	<i>96</i>	<i>130</i>	<i>269</i>	<i>495</i>
Lease & other deposit given	-	-	-	-
	-	-	<i>3</i>	<i>3</i>
Trade receivables	11,248	992	2,111	14,351
	<i>6,101</i>	<i>696</i>	<i>1,414</i>	<i>8,211</i>
Share application money given	5	380	-	385
	<i>5</i>	<i>4</i>	-	<i>9</i>
Capital / revenue advance	3,212	948	3,750	7,910
	<i>6,500</i>	<i>284</i>	<i>3,614</i>	<i>10,398</i>
Loan and advances given	77,099	4	-	77,103
	<i>54,037</i>	<i>4</i>	<i>(3)</i>	<i>54,038</i>
Interest receivable	6,294	-	-	6,294
	<i>5,808</i>	-	-	<i>5,808</i>
Allowances for loans and advances given	6,413	-	-	6,413
	<i>5,224</i>	-	-	<i>5,224</i>
Loans/advances/deposits taken	-	-	126	126
	-	-	<i>506</i>	<i>506</i>
Finance lease obligation	26,992	-	15,011	42,003
	<i>28,014</i>	-	<i>16,564</i>	<i>44,578</i>
Guarantees and collaterals provided by the Company on behalf	34,224	-	-	34,224
	<i>24,821</i>	-	-	<i>24,821</i>
Post-employment benefit plans	-	-	624	624
	-	-	<i>651</i>	<i>651</i>

Amount in italics is as at 31 March 2018



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

13. Ind AS 115 Revenue from Contracts with Customers

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 Statement of Profit and Loss 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 expense included in the other expenses in the statement of profit and loss. The Company has applied full retrospective approach and restated the previous period presented.

The restated revenue for the nine months ended 31 December 2017 is higher by Rs. 10,287 million and for the year ended 31 March 2018 by Rs. 14,888 million with the corresponding increase in Other expenses.

The restated revenue and restated other expenses for the nine months ended 31 December 2017 and for the year ended 31 March 2018 are :

Rs. in millions

Particulars	For the nine months ended 31 December 2017*	For the year ended 31 March 2018
Revenue from operations	477,126	677,231
Other expenses	98,998	139,934

Further, the export benefits, amounting to Rs. 2,285 million for the nine months ended 31 December 2017 and Rs. 3,004 million for the year ended 31 March 2018 which was earlier included as part of Revenue from sale of products has been reclassified to Other operating revenue.

The above adjustments have no impact on the balance sheet and cash flow statement for the previous period.

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 10):

Rs. in millions

Particulars	For the nine months ended	
	31 December 2018	31 December 2017*
Revenue from contracts with customer - sale of products (including Freight income)	555,051	468,881
Other Operating revenue	15,213	8,245
Total	570,264	477,126



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

Particulars	Rs. in millions	
	For the nine months ended	For the nine months ended
	31-Dec-18	31-Dec-17
MS slabs	10,405	7,473
Hot rolled coils/steel plates/sheets	285,593	235,908
Galvanized coils/sheets	19,253	16,460
Cold rolled coils/sheets	77,777	66,682
Steel billets & blooms	12,136	13,914
Long rolled products	120,537	90,166
Others (including freight income on sale of products)	29,350	38,278
Total	555,051	468,881

*** Goods & Service Tax (GST)**

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.

14. VAT Deferral Accrual

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. 3,755 million for 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. 3,606 million for the year ended 31 March 2018. The cumulative amount receivable towards the same as at 31 December 2018 amounting to Rs. 7,361 million has been considered good and recoverable.

15. On 15 June 2018, the Company completed acquisition of 100% equity stake in Acero Junction Holdings, Inc (Acero) for a cash consideration of Rs 5,361 million (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. 5,361 million (USD 80.85 million) in its financials relating to such acquisition.



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

16. 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. 3,751 million through equity and redeemable preference shares in CSSL to acquire joint control in MIEL and have an effective shareholding of 23.1% in MIEL.
17. 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. 4,827 million (Euro 59.90 million) towards acquisition of equity shares and Rs. 997 million (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.
18. 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. 1,092 million. 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.
19. 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 Centres Limited, and JSW Steel (Salav) Limited with the Company. The merger is subject to regulatory approvals.
20. 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.
21. a) JSW Steel Ltd. ("JSWSL") has submitted a resolution plan for Bhushan Power & Steel Limited ("BPSL"), a company undergoing insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 ("Code").
- The Committee of Creditors of BPSL has issued a Letter of Intent ("LoI") dated February 11, 2019 to JSWSL and the same has been accepted by JSWSL on February 13, 2019. The closure of the transaction shall be subject to obtaining necessary approval from the National Company Law Tribunal, New Delhi and satisfaction of conditions precedent under the resolution plan.
- b) The Company on 27th February 2019, has entered into a five year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. (DSA) for supply of Steel Products. DSA would be providing an interest bearing advance amount of US \$ 700 million under this agreement.



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

22. Dividend distribution

On 16 May 2018 the board of directors recommended a final dividend of Rs. 3.20 per equity share be paid to shareholders for financial year 2017-18, which was approved by the shareholders at the Annual General Meeting held on 24 July 2018. The dividend amounting to Rs. 7,735 million has been paid on 27 July 2018.

23. Previous year / period figures have been re-grouped / re-classified wherever necessary.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003


per VIKRAM MEHTA
Partner
Membership No.:105938



Place: Mumbai
Date : 28 February 2019


RAJEEV PAI
Chief Financial Officer


LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 28 February 2019

For and on behalf of the Board of Directors



SESHAGIRI RAO M.V.S
Jt. Managing Director & Group CFO
DIN 00029136


JAYANT ACHARYA
Director (Commercial & Marketing)
DIN 00106543

